CENTERS FOR MEDICARE & MEDICAID SERVICES

Enrollment Update and Information Session

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Topics We Will Cover Today

- Changes to Involuntary Disenrollment Requirements
- Lawful Presence
- Good Cause
- Medicare & the Marketplace

Changes to Involuntary Disenrollment Requirements

Overview

- Final regulations published on May 23, 2014 (CMS-4159-F)
- Confirmed incarceration by CMS = out of plan's service area
  - Ineligibility for enrollment
  - Involuntary disenrollment
- Impacts Part D, cost and all MA plan types

Current Process

Plan confirms incarceration status:

What will be different?

- CMS confirms incarceration status
  - CMS notified of incarceration status
  - CMS indicates ineligibility for enrollment
  - CMS shares information in enrollment systems (BEQ or UI)

What will be different (cont.)?

- Burden of confirming incarceration status is on CMS (cont.)
  - Plans deny enrollment requests from individuals reflected in CMS systems as confirmed incarcerated
  - CMS denies submitted enrollments /disenrolls ineligible individuals
- Limited burden of confirming incarceration status on plans
  - Use current process if notified by entity other than CMS

Involuntary Disenrollments

- CMS effectuates involuntary disenrollments for notifications of incarceration received by CMS
  - Notify plans via DTRR with TRC for out of service area due to confirmed incarceration
  - Involuntary disenrollment effective the first of the month following the start date of confirmed incarceration

New Enrollments

- CMS systems indicate current and past incarceration periods
- New enrollments within an incarceration period denied
  - Send a TRC for denial due to out of area for confirmed incarceration
  - Only enrollments effective after period of incarceration accepted

New Enrollments (cont.)

- Closed incarceration period (start and stop date received at same time)
  - CMS will both involuntarily disenroll and re-enroll to remove ineligible period from an existing plan enrollment

Next Steps

- Implementation delayed to complete systems changes
- Guidance and updates to model notices coming

Lawful Presence

Overview

- Final regulations published February 12, 2015 (CMS-4159-F2)
- Lawful presence or U.S. citizenship as eligibility criteria for enrollment
- Unlawful presence
  - Ineligible for enrollment
  - Involuntary disenrollment

Current Process

- Unlawful presence status results in a suspension of Social Security benefits
- Payment of Part A and Part B claims denied
- CMS 4159-F2 aligns eligibility for enrollment in MA, cost, and Part D plans (and Medicare payments to and by plans) with FFS payment exclusion policy

What will be different?

- New eligibility requirement for enrollment in MA, cost and Part D plans
- Burden of determining eligibility on CMS
  - CMS notified of unlawful presence status
  - CMS indicates ineligibility for enrollment
  - CMS shares information in enrollment systems (BEQ or UI)

What will be different (cont.)?

- Burden of determining eligibility on CMS (cont.)
  - Plans deny enrollment requests from individuals reflected in CMS systems as unlawfully present
  - CMS denies submitted enrollments/disenrolls ineligible individuals
- CMS notifies plans via DTRR upon notification from SSA of an individual's unlawful presence status

Involuntary Disenrollments

- CMS effectuates involuntary disenrollments for notifications of unlawful presence received by CMS
  - Notify plans via DTRR with TRC for ineligibility due to unlawful presence
  - Involuntary disenrollment effective the first of the month following notice by CMS
- CMS strongly encourages plans to send a notice of disenrollment

New Enrollments

- Plans do not determine lawful presence status
  - May not request proof from an applicant or include lawful presence as an element on the enrollment form
  - May not accept proof to stop involuntary disenrollment or request reinstatement following disenrollment

Impact to Beneficiaries

- Individual must take proof to SSA to change status
- Regain lawful presence status = new SEP for prospective enrollment in plan (no reinstatements)
- No Part D LEP while ineligible for enrollment

Next Steps

- Implementation delayed to complete systems changes
- Guidance and updates to model notices coming

Good Cause

Review of Good Cause Basics

- Applies ONLY to involuntary disenrollment for nonpayment of plan premium or D-IRMAA
- Must request reinstatement within 60 calendar days of disenrollment effective date

Review of Good Cause Basics (cont.)

- If determination is favorable, individual must pay all owed amounts (past due as of disenrollment date) within 3 months of disenrollment
- If unfavorable and no indication of plan error, individual remains disenrolled; determination cannot be appealed

Current Process

- All requests referred to 1-800-MEDICARE (1-800-633-4227) or CMS
  - CMS determines eligibility to request Good Cause
  - CMS reviews situation and makes determination
  - CMS sends notification to plan to inform individual, collect money (and notify CMS when paid if D-IRMAA)
  - Plan sends reinstatement request to Retroactive Processing Contractor (RPC)/CMS effectuates reinstatement

What will be different?

- Good Cause requests based on nonpayment of plan premium completely handled by plan
  - Requests come to plan directly
  - Plan determines eligibility to request Good Cause based on CMS-established criteria
  - Plan reviews situation and makes determination
  - Plan notifies individual and collects money
  - Plan sends reinstatement request to RPC

Plan Process

- Verify disenrollment date within 60 calendar days of request
- Receive positive attestation of:
  - Unexpected and uncontrollable circumstance occurred during the grace period
  - Ability to pay past due amounts within 3 months of disenrollment date
    - Additional 3 months of premium no longer required

Plan Process (cont.)

- If D-IRMAA also involved – ignore
  - Payment of Part D-IRMAA not required if disenrolled due to nonpayment of plan premiums
- Disenrollment for non-payment of Part D-IRMAA only
  - Process is not changing
    - CMS will continue to review Good Cause requests
    - Plans continue to process the same as today

Notable Items

- Good Cause criteria apply to authorized representatives if they pay premiums for member
- Plans may provide access to services upon receipt of full plan premium payment (if not Part D-IRMAA case)

Notable Items (cont.)

- For Part D-IRMAA cases – plans MUST receive TRR or approval from CMS caseworker before providing access to services
- Plans encouraged to educate individuals on automated payment options, as well as option of automatic premium withhold from SSA or RRB check

Notable Items (cont.)

- Plans may allow additional time (5 calendar days) beyond the 3-month Good Cause reinstatement timeframe to verify payment by the bank
- For plan premium cases, submit reinstatement request to the CMS RPC, not to CMS Regional Office

Notable Items (cont.)

- Plans may not accept partial payment of owed amount
- For D-IRMAA cases, plans need to update CTM and send to CMS within 5 days of receipt of full payment

Medicare & the Marketplace

Key Abbreviations

APTC – Advanced payment of the Premium Tax Credit

COB – Coordination Of Benefits

CSR – Cost Sharing Reduction (reduced copays, coinsurances, etc.)

MEC – Minimum Essential Coverage

Key Abbreviations (cont.)

MSP – Medicare Secondary Payer

QHP – Individual Marketplace Qualified Health Plan

SHOP – Small Business Health Options Program

Medicare before Marketplace

- Illegal for issuer to knowingly sell or issue QHP policy to Medicare beneficiary
  - Even if have only Part A or Part B
- Part A = MEC; Part B ≠ MEC
- Medicare beneficiaries with SHOP coverage treated the same as any other person with GHP coverage
  - Can be sold policy; usually have Part A and not Part B

Drop Medicare for Marketplace

- Can drop Medicare if have:
  - Part B and premium Part A, or
  - Only Part B
- If have free Part A, must:
  - Withdraw application for retiree/disability benefits
  - Pay back all benefits received and Medicare's cost for services
  - Withdraw retiree benefit application in first year of receiving Social Security benefit

Drop Medicare for Marketplace (cont.)

- If drop/withdraw, can enroll in Medicare later only during certain times
  - General Enrollment Period (January 1 – March 31)
  - May cause coverage gap and late enrollment penalties
  - Lifetime Part B penalty

Marketplace then Medicare

- Have Marketplace plan = can keep it when enroll in Medicare
- Enroll in Parts A and B
  - Lose APTC and CSR when coverage in Medicare Part A begins
  - Generally, no COB between Medicare and Individual Marketplace plan unless have SHOP
- Enroll in only Part B
  - Keep APTC and CSR
  - Generally no COB between Medicare and Individual Marketplace plan unless have SHOP

Marketplace then Medicare (cont.)

- Issuers may NOT terminate enrollees after coverage starts if subsequently find enrolled in Medicare
  - Enrollee must request termination
  - Unless otherwise qualify for involuntary termination from the QHP (e.g., non-payment of premiums)

End Stage Renal Disease

- ESRD not required to get Medicare - voluntary
- No Part A or Part B = can enroll in a QHP through the Marketplace
- ESRD does not disqualify individual from having APTC or CSR, if meet program eligibility

End Stage Renal Disease (cont.)

- If have Medicare and want to go to Marketplace:
  - Must withdraw application
  - Repay cost of all Medicare-covered services, and any Social Security payments received

More Information

Resources

- Contact your account manager with questions
- Medicare & the Marketplace FAQ: http://www.cms.gov/Medicare-and-the-Marketplace/Overview1.html
- CMS 4159-F: http://www.gpo.gov/fdsys/pkg/FR-2014-05-23/html/2014-11734.htm

Resources (cont.)

- CMS 4159-F2: http://www.gpo.gov/fdsys/pkg/FR-2015-02-12/html/2015-02671.htm
- Medicare Managed Care Manual (current MA and cost plan enrollment/disenrollment guidance): http://www.cms.gov/MedicareMangCareEligEnrol/
- Medicare Prescription Drug Benefit Manual (current Part D enrollment/disenrollment guidance): http://www.cms.gov/MedicarePresDrugEligEnrol/

Resources (cont.)

- Publication on IRMAA:

  http://www.socialsecurity.gov/pubs/10536.html#a0=4

- HPMS Memoranda and Notifications:
  - 5/27/2011 – Part D-Income Related Monthly Adjustment Amount Updates
  - 2/6/2015 – Updated Complaints tracking Modules (CTM) Guidance on Standard Operating Procedures (SOP)
  - 1/5/2012 – Reinstatement Based on “Good Cause” Determinations for Failure to Pay Plan Premiums or the Part D-IRMAA