



North Carolina
Department of Health and Human Services
Division of Medical Assistance
Recipient Services MEU

801 Ruggles Drive – 2501 Mail Service Center - Raleigh, N.C. 27699-2501

Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

L. Allen Dobson, Jr., M.D., Assistant Secretary
for Health Policy and Medical Assistance
(919) 855-4000

October 5, 2006

Re: LIS Part D, PDP Reassignments

Dear County Director of Social Service:

The purpose of this letter is to notify counties about the upcoming beneficiary reassignment for certain Medicaid/Medicare recipients into a Medicare Prescription Drug Plan (PDP), and to provide PDP Open Enrollment information.

CMS will reassign beneficiaries who meet all of the following criteria:

- **They were deemed eligible for LIS because they were a full benefit dual eligible, Medicare Savings Program participant, or Supplemental Security Income (SSI) recipient; OR because they applied and were found eligible for LIS.**
- **They continue to be eligible for LIS in 2007.**
- **They were originally auto enrolled into a Prescription Drug Plan.**
- **They (or their authorized representative) did not voluntarily elect another plan.**
- **Their current plan has a premium in 2007 that is above the benchmark amount OR their plan is terminating at the end of 2006.**

CMS will also reassign beneficiaries who qualify for LIS as of January 1, 2007, who voluntarily elected a plan that will be terminating at the end of 2006. A terminating PDP must notify the beneficiary by letter on or around October 2, 2006.

Reassignments will be completed by mid-October and CMS will notify all beneficiaries of their reassignment, including those to be reassigned to another plan benefit package (PBP) offered by the same PDP sponsor. Notices will be mailed on blue paper and are expected to reach beneficiaries in early November. The letter will include a list of area PDPs and their telephone numbers. Beneficiaries should receive their new plan materials around December 1, 2006.

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In 2007, there will be more plans with coverage in the gap, more drugs covered, and more help from Medicare in choosing the plan that's best for the individual. The monthly premium beneficiaries will pay in 2007 will average \$24 if they stay in their current plan-about the same as in 2006. While some individuals will see an increase in their current plan premiums, they have the option to switch plans. Beneficiaries who want to consider other options will have access to help from many sources including:

- **A notice of any coverage changes from their drug plan, to be received at the end of October.**
- **The enhanced Medicare Drug Plan finder will be available in mid-October.**
- **1-800-Medicare (1-800-633-4227) which will be available 24/7.**
- **The Medicare and You 2007 handbook, the annual handbook that explains Medicare coverage, which beneficiaries will receive in October; and**
- **Local organizations such as the State Health Insurance Assistance Programs (SHIIP) and thousands of other Medicare partner organizations that will provide personalized assistance throughout the fall.**

Open Enrollment for Part D Prescription Drug Plans is from November 15, 2006 through December 31, 2006. Counties are strongly encouraged to advise recipients to complete the enrollment prior to December 8, 2006, to allow for adequate processing time. Beneficiaries only need to take action to disenroll or change plans. For those who choose to enroll in a new plan, the new plan's materials will be received by the beneficiary on or around January 31, 2007.

SHIIP Train the Trainer sessions have been scheduled for November, and will focus on the 2007 PDP plans available in NC and how to use the Prescription Drug Plan finder tool in counseling. You can access the training schedule at their website.

http://www.ncdoi.com/shiip/documents/ttt_sessions.pdf. We encourage counties to send at least one person to a training session.

If you have any questions regarding this information, please contact your Medicaid Program Representative.

Sincerely,

L. Allen Dobson

(This material was researched and written by Linda Faulkner, Program Consultant, Medicaid Eligibility Unit.)