

# Annual Enrollment Starts October 15 and Ends December 7 for Medicare Part C & Part D Plans || CMA

Fall is the time for Medicare beneficiaries to explore their options regarding Part D prescription drug and Part C Medicare Advantage plans. In years past, the annual enrollment period began in mid-November and lasted to the end of the year, with any changes or choices made effective January 1st. Starting this year, that time period has been moved up. This year the **Annual Coordinated Election Period (ACEP) for Medicare Advantage and Medicare Part D prescription drug plans will start on October 15th and end on December 7th.**<sup>[1]</sup> This means that Medicare beneficiaries will have to analyze their options and make choices earlier than in previous years.

During the ACEP, often referred to as "open enrollment," Medicare beneficiaries who do not have a Part D plan can enroll in one, and those who do have Part D coverage can change plans. Beneficiaries can also return to traditional Medicare from a Medicare Advantage (MA) plan, enroll in an MA plan, or change MA plans.

**Beneficiaries who are satisfied with their plan in 2011 still need to review their plan options for 2012.** Part D and MA plans may have made changes to their coverage, provider networks and other plan features.<sup>[2]</sup> Starting October 1, 2011, plan information for 2012 will be available on the Medicare Plan Finder at [www.medicare.gov](http://www.medicare.gov).<sup>[3]</sup> Medicare Advantage and Part D plan sponsors are allowed to start marketing their plans on October 1st.

It is likely that many beneficiaries will miss the new December 7th deadline for making any plan changes. CMS says it is conducting outreach about the earlier deadline and that it will monitor the issue of beneficiaries who miss the deadline. However, as of the date of this *Alert*, CMS has no public plans to allow a Special Enrollment Period (SEP) for individuals who miss the December 7th deadline. Therefore it is critical that beneficiaries be informed of this change in dates. In addition, those who miss the deadline should complain to CMS.

## Additional Medicare Enrollment Periods

In addition to the ACEP, Medicare beneficiaries may have other opportunities to make a change in their Medicare Advantage and/or Part D prescription drug coverage. The following is a partial list of other Medicare enrollment periods, some of which are new or have been changed.<sup>[4]</sup>

As discussed in a previous *Alert*<sup>[5]</sup>, starting this year, the Medicare Advantage Open Enrollment Period (OEP) has been replaced by a new **Medicare Advantage Disenrollment Period (MADP), which lasts from January 1st through February 14th** of each year.<sup>[6]</sup> During the MADP, a beneficiary can switch from an MA plan to traditional Medicare. The new MADP also provides an opportunity to pick up Part D drug coverage for those who do not already have it.

When disenrolling from an MA plan during the MADP, the effective date of disenrollment is the first day of the month following the date the disenrollment request is received. Thus, disenrollment requests received by MA organizations in January are effective February 1; those received February 1 through February 14 are effective March 1.<sup>[7]</sup>

During the MADP, an individual using the MADP to disenroll from an MA plan is eligible for a special enrollment period (SEP) to enroll in a stand-alone Part D prescription drug plan, regardless of whether the MA plan from which the individual disenrolled included the Part D drug benefit. The old OEP did not allow a beneficiary to add Part D coverage if he or she did not previously have such coverage at the beginning of the calendar year.

Beneficiaries are advised to enroll in a PDP as close to the time of disenrollment from the MA plan as possible in order to avoid having a gap in drug coverage. For example, a beneficiary who disenrolls from an MA plan on January 31 and enrolls in a prescription drug plan (PDP) on February 1 would return to traditional Medicare on February 1, but would not have drug coverage until March 1.

Each year, Medicare Advantage and Part D plans have the option not to renew their contracts with Medicare. Enrollees in plans that are not being renewed have certain rights depending upon the

circumstances under which their plan is leaving the Medicare program.<sup>[8]</sup> Plans that are not renewing for 2012 must notify enrollees in writing no later than October 2, 2011.<sup>[9]</sup>

A special enrollment period (SEP) exists for members of MA and Part D plans that will be affected by plan or contract non-renewals and plan service area reductions that are effective January 1 of a contract year. The change in the time period of the ACEP also affects the timing of the SEP. The **Plan Non-Renewal SEP begins December 8 and ends on the last day in February** of the following year. Enrollment requests received from December 8 through December 31 will have an effective date of January 1. Enrollment requests received in January will have an effective date of February 1. Enrollment requests received in February will have an effective date of March 1.<sup>[10]</sup> (Note that the duration of this SEP extends beyond the last day of the MADP discussed above – through the end of February as opposed to February 14th. Also note that CMS-approved plan consolidations are neither terminations nor non-renewals, thus individuals affected by plan consolidations are not eligible for the SEP for non-renewals or terminations.)

To reward Medicare Advantage and Part D plans that receive high performance ratings by CMS, and to steer beneficiaries toward such plans, there will be a new Special Enrollment Period (SEP) to allow Medicare beneficiaries to enroll in MA and Part D plans that receive an overall 5-star rating by CMS's Plan Performance Rating system.<sup>[11]</sup> This right will start on December 8, 2011 and ends November 30, 2012. The 5-Star SEP can only be exercised once per year. Plan ratings for 2012 will be available October 12, 2011. (Note that there were very few plans in 2011 that achieved 5-star status.)<sup>[12]</sup>

**Note that use of the 5-Star SEP does not guarantee Part D coverage.** If an individual in either an MA-PD plan or a PDP chooses to enroll in an *MA-only* coordinated care plan with a 5-star overall rating, that individual would lose Part D coverage and must wait for a subsequent enrollment period to obtain Part D coverage under the normal enrollment rules. Late enrollment penalties might also apply.<sup>[13]</sup>

Certain individuals can change their Part D coverage, including a Medicare Advantage Prescription Drug (MA-PD) plan, on a monthly basis. Individuals enrolled in the Part D Low-Income Subsidy (LIS or "Extra Help"), including those dually eligible for Medicare and Medicaid, as well as those enrolled in Medicare Savings Programs (MSPs), have an ongoing Special Enrollment Period (SEP) to change Part D plans on a monthly basis.<sup>[14]</sup>

Note that there are also SEPs available to other individuals to enroll in, switch, or disenroll from Part D and Medicare Advantage plans when certain designated triggering events occur. These events include changes in residence, when a plan violates its contract with Medicare (including marketing misconduct), when moving in and out of a nursing facility, and certain changes to employer-based plans. For a list of existing SEPs, see, e.g., the Medicare Managed Care Manual.<sup>[15]</sup>

## Conclusion

Many Medicare beneficiaries are likely to be caught off guard by the change in the ACEP, at least this fall when the change first occurs. Beneficiaries should review their plan options carefully. If people miss the December 7th deadline, and CMS does not implement a Special Enrollment Period (SEP) to help those who inadvertently miss the change this year, other options to change plans outside of the ACEP should be explored.

CMS is hosting a call for "Stakeholders" who wish to Learn more about the changes to enrollment. The call will be Thursday, September 22, 2011 from 3pm-4pm ET. The number to dial in is 1-866-501-5502. The Conference ID is 11763777 (for TTY services dial 7-1-1 or 1-800-855-2880). A recording of the call will be available 4 hours after the Listening Session ends by dialing 1-800-642-1687 and entering the Conference ID. The recording will expire Thursday, October 6, 2011.

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<sup>[1]</sup> *Patient Protection and Affordable Care Act*, §3204 (Pub. L. 111-148); 42 C.F.R. §§422.62, 422.68, 423.38, and 423.40

<sup>[2]</sup> For a discussion of factors to consider when reviewing plan options, see, e.g., Weekly Alert for 2010 ACEP: *Medicare Annual Enrollment Started November 15, 2010* (November 18, 2010): [http://www.medicareadvocacy.org/InfoByTopic/MedicareSummaryAndGeneralInfo/10\\_11.18.AnnualEnrollment.htm](http://www.medicareadvocacy.org/InfoByTopic/MedicareSummaryAndGeneralInfo/10_11.18.AnnualEnrollment.htm)

<sup>[3]</sup> Information about 2012 Medicare Advantage and Part D plan offerings are currently available at: <http://www.cms.gov/center/openenrollment.asp>

<sup>[4]</sup> Note that there are additional enrollment periods available when someone first becomes eligible for a Medicare Advantage plan and a Part D plan. These periods are known as the Initial Coverage Election Period (ICEP) for MA plans (see, e.g., §30.2, Chapter 2 of the Medicare Managed Care Manual), and the Initial Enrollment Period (IEP) for Part D (see, e.g., §30.1, Chapter 3 of the Medicare Prescription Drug

Manual). There are also separate enrollment periods relating to enrolling in Part B of Medicare, including the Part B Initial Enrollment Period (IEP), General Enrollment Period (GEP) and Special Enrollment Period (SEP) (see, generally, Chapter 2 of the Medicare General Information, Eligibility and Entitlement Manual (CMS Pub 100-01) at: <http://www.cms.gov/manuals/downloads/ge101c02.pdf>)

[5] See Alert, *45 Day Disenrollment Period for Medicare Advantage Members* (January 6, 2011): <http://www.medicareadvocacy.org/2011/01/45-day-disenrollment-period-for-medicare-advantage-members/>.

[6] *Patient Protection and Affordable Care Act*, §3204 (Pub. L. 111-148)

[7] See §30.5, Chapter 2 of the Medicare Managed Care Manual, Chapter 2 (CMS Pub. 100-16, updated August 19, 2011): <http://www.cms.gov/MedicareMangCareEligEnrol/Downloads/FINALMAEnrollmentandDisenrollmentGuidanceUpdateforCY2012August192011.pdf>

[8] See Weekly Alert, *When a Medicare Advantage Plan Does Not Renew Its Contract* (November 4, 2010 ): [http://www.medicareadvocacy.org/InfoByTopic/MedicareAdvantageAndHMOs/10\\_11.04.NonRenewal.htm](http://www.medicareadvocacy.org/InfoByTopic/MedicareAdvantageAndHMOs/10_11.04.NonRenewal.htm)

[9] 42 C.F.R. §422.506(a); also see CMS's 2012 Call Letter (p. 100) at: <https://www.cms.gov/PrescriptionDrugCovContra/Downloads/Announcement2012final.pdf>

[10] See §30.4.3, Chapter 2 of the Medicare Managed Care Manual, Chapter 2 (CMS Pub. 100-16, updated August 19, 2011): <http://www.cms.gov/MedicareMangCareEligEnrol/Downloads/FINALMAEnrollmentandDisenrollmentGuidanceUpdateforCY2012August192011.pdf> ; also see §30.3.4, Chapter 3 of the Medicare Prescription Drug Benefit Manual (CMS Pub. 100-18, updated August 19, 2011): <http://www.cms.gov/MedicarePresDrugEligEnrol/Downloads/FINALPDPEnrollmentandDisenrollmentGuidanceUpdateforCY2012August192011.pdf>

[11] See §30.4.4.15, Chapter 2 of the Medicare Managed Care Manual (CMS Pub. 100-16, updated August 19, 2011): <http://www.cms.gov/MedicareMangCareEligEnrol/Downloads/FINALMAEnrollmentandDisenrollmentGuidanceUpdateforCY2012August192011.pdf>; also see §30.3.8.13, Chapter 3 of the Medicare Prescription Drug Benefit Manual (CMS Pub. 100-18, updated August 19, 2011): <http://www.cms.gov/MedicarePresDrugEligEnrol/Downloads/FINALPDPEnrollmentandDisenrollmentGuidanceUpdateforCY2012August192011.pdf>

[12] See, e.g., Kaiser Family Foundation report "Reaching for the Stars: Quality Ratings of Medicare Advantage Plans, 2011 (February 2011) at: <http://www.kff.org/medicare/upload/8151.pdf> ; also see National Council on Aging "Getting to Know: Medicare's 5-Star Plan Quality Rating and New Related SEP" (July 2011) at: [http://www.centerforbenefits.org/downloads/2011-7-19\\_3F59F3\\_SEP-5-Star-Rating.pdf](http://www.centerforbenefits.org/downloads/2011-7-19_3F59F3_SEP-5-Star-Rating.pdf)

[13] Section 30.4.4.15, Chapter 2 of the Medicare Managed Care Manual (CMS Pub. 100-16, updated August 19, 2011): <http://www.cms.gov/MedicareMangCareEligEnrol/Downloads/FINALMAEnrollmentandDisenrollmentGuidanceUpdateforCY2012August192011.pdf>

[14] See, e.g., Medicare Managed Care Manual, Chapter 2, §§30.4.4.5 (dual eligibles) and 30.4.4.12 (non dual-eligible LIS enrollees) (CMS Pub. 100-16, updated August 19, 2011): <http://www.cms.gov/MedicareMangCareEligEnrol/Downloads/FINALMAEnrollmentandDisenrollmentGuidanceUpdateforCY2012August192011.pdf>

[15] See, generally, Medicare Managed Care Manual, Chapter 2, §30.4, et seq. (CMS Pub. 100-16, updated August 19, 2011): <http://www.cms.gov/MedicareMangCareEligEnrol/Downloads/FINALMAEnrollmentandDisenrollmentGuidanceUpdateforCY2012August192011.pdf>