

Tip Sheet: Part D and MA Plan Non-renewal Notices

Here are a few tips to pass along to your counselors to use as they help clients from different segments of the Medicare population understand what non-renewal notices mean.

Dual-eligible Beneficiaries

In MA plans: Beneficiaries who make no choice during the AEP will revert to Original Medicare. They will not lose Medicaid coverage as long as their financial situation is unchanged. They do not need to buy a Medigap policy (in fact, it may be against the law to sell Medigap insurance to someone with Medicaid). If they choose no Part D plan during the AEP, the LI NET process will allow them to have immediate prescription drug coverage at the pharmacy.

In Part D plans: Beneficiaries who are enrolled in non-renewing plans to which CMS auto-enrolled them will be reassigned by CMS to a new Part D plan with coverage starting in January. Those who are “choosers” and enrolled in non-renewing plans will not be reassigned. If they make no choice during the AEP, these “choosers” must rely on the LI NET process to provide immediate prescription drug coverage at the pharmacy.

Other Beneficiaries with LIS

In MA plans: Beneficiaries who make no choice during the AEP will revert to Original Medicare. They have a guaranteed issue right to purchase a Medigap policy. If the non-renewing plan is an MA-PD and the beneficiary does not choose a Part D plan, she or he must rely on the LI NET process to provide immediate prescription drug coverage at the pharmacy.

In Part D plans: Full subsidy beneficiaries who are enrolled in non-renewing plans to which CMS facilitated their enrollment will be reassigned by CMS and will have a new Part D plan in January. Those full subsidy beneficiaries who are “choosers” (as well as all those with partial subsidy) and enrolled in non-renewing plans will not be reassigned. If they make no choice during the AEP, these “choosers” must rely on the LI NET process to provide immediate prescription drug coverage at the pharmacy.

All Others

In MA plans: All other beneficiaries who make no choice during the AEP will revert to Original Medicare. They have a guaranteed issue right to purchase a Medigap policy. If the non-renewing plan is an MA-PD and the beneficiary does not choose a Part D plan, they will have no drug coverage on January 1. They do have an extended SEP (through January) and can choose a plan effective February 1.

In Part D plans: All other beneficiaries who make no choice during the AEP will have no drug coverage on January 1. They do have an extended SEP (through January) and can choose a plan effective February 1.

The plan termination letters apply most directly to this segment of the Medicare population.

CMS's Model Non-renewal Notices

MA Plans: <http://www.cms.hhs.gov/partnerships/downloads/11433.pdf>

Part D Plans: <http://www.cms.hhs.gov/partnerships/downloads/11438.pdf>