



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

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Beverly Eaves Perdue, Governor
Lanier M. Cansler, Secretary

Craig L. Gray, MD, MBA, JD, Director

October 28, 2010

Re: LIS Part D and PDP Reassignments

Dear County Director of Social Services:

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

An individual must have resources equal to or less than \$12,510 for a single person or \$25,010 for a couple and income less than 150% of the federal poverty level for the family size to be eligible for the LIS.

CMS is notifying beneficiaries as noted in the CMS LIS Guide located at:

www.cms.hhs.gov/LimitedIncomeandResources/Downloads/2010Mailings.pdf

As in 2010, there are more plans to choose from for 2011 and more help from Medicare and SHIP in choosing the plan that best fits the individual's needs. The base monthly premium beneficiaries will pay in 2011 is \$32.34.

Open Enrollment for Part D Prescription Drug Plans is from November 15, 2010 through December 31, 2010. Counties are strongly encouraged to advise recipients to complete the enrollment prior to December 6, 2010, to allow adequate processing time. Beneficiaries only need to take action to disenroll or change plans. For those who choose to enroll in a new plan it is important that they **do not** disenroll from the current plan and then try to enroll in a new plan for 2011. All the beneficiary needs to do is enroll in the new plan and that action will cause termination of the current plan effective December 31, 2010.

Medicare beneficiaries who qualify for the Extra Help/LIS subsidy may enroll in a Medicare PDP with no penalty through December 31, 2010. This means a person who qualifies for the Extra Help/LIS subsidy and who has yet to enroll in a PDP may enroll in a PDP any time through December 31, 2010, and not incur a penalty, as long as he then remains continuously enrolled in Medicare Part D. However, if the individual disenrolls after 2010 and then has a continuous period of 63 days or more without creditable prescription drug coverage, he would incur a late enrollment penalty upon reenrollment into a Medicare PDP.

Counties should continue taking LIS applications as required. Assistance for the beneficiary in choosing a PDP is available through SHIP at 1-800-443-9354, 1-800-MEDICARE (1-800-633-4227) or at the Medicare website at www.medicare.gov.



November 1, 2010

Page 2

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

Sincerely,

Craig L Gray, MD, MBA, JD, Director

CLG/jlb

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