

## **70.2 - Member Notifications**

**(Rev. 14, Issued: *10-01-18*, Effective Date: *10-01-18*; Implementation Date: *10-01-18*)**

Part D sponsors are required to notify members when they initially become LIS-eligible; when their LIS levels change; and when their LIS eligibility terminates. In addition, certain notifications are required pursuant to the BAE policy (see section 70.5). The descriptions below explain the different LIS notifications, when Part D sponsors must mail these notifications to their member beneficiaries

and where the current year model notifications are located in this chapter's appendices:

- **LIS Rider - Part D** Sponsors must send the LIS Rider at least once a year to their members at the same time as the combined Evidence of Coverage (EOC) and Annual Notice of Change (ANOC). Part D sponsors must also send an LIS rider at other times of the year if an enrollee becomes newly LIS eligible, or has a change in the level of LIS for which he/she qualifies (for terminations of LIS, use notices below). The LIS rider must be sent within 30 days of receiving systems' notification from CMS for changes effective in the current calendar year. Notification means any of the circumstances identified in Appendix E. When notifications are received starting in July that an individual is re-deemed for LIS for the following calendar year, the LIS Rider conveying the following year's status should be sent near or around the time when the combined ANOC/EOC is sent. If a sponsor did not send the LIS Rider with a beneficiary's ANOC/EOC (because notification had *not* been received before that mailing), but notification is subsequently received, the sponsor must send an LIS rider within 30 days of the notification.
- **Low-income Subsidy is Terminated Notice (Appendix *A*)** – Part D sponsors must send this notice within 30 days of notification *by CMS via the TRR* to affected members when the member's LIS terminates. This notice contains variable language for deemed beneficiaries and LIS applicants. For deemed individuals the beneficiary is directed to apply to the SSA to determine if *LIS* eligible.
- **Removal of LIS Period(s) Notice (Appendix *B*)** – Part D sponsors are responsible for collecting any underpaid cost sharing or premiums when a beneficiary is retroactively found not eligible, or qualifies at a less generous cost sharing level per section 70.3.1. Sponsors should make reasonable attempts to notify affected members within 30 days of notification to advise them of their retroactive liability for higher premiums and cost sharing, when LIS eligibility is removed. This notification should also include information regarding the special enrollment period for loss of LIS status if they wish to change plans.
- **Error in Premiums and Cost Sharing Notice (Appendix *C*)** – Part D sponsors must send this notice within 30 days of notification when they grant an optional grace period per section 40.2.8 for those losing deemed status, and for an individual who does not regain LIS eligibility within the grace period.