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MEDICARE ENTITLEMENT AND ENROLLMENT  
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EIS 3520 - MEDICARE ENTITLEMENT AND ENROLLMENT  
REVISED 10/01/09 - CHANGE NO. 01-10

I. INTRODUCTION

Effective November 15, 2005, the new Medicare Part D prescription drug plans will be available to people with Medicare. Medicare endorsed prescription drug plans (PDPs) will provide insurance coverage for prescription drugs. The regulatory basis for this change is the Medicare Prescription Drug, Improvement and Medicare Modernization Act (MMA) of 2003.

Beginning January 1, 2006, individuals receiving Medicare and Medicaid in North Carolina will no longer have prescriptions paid by the Medicaid program. Instead, they will be paid by the Medicare program.

A. MMA DATA AND RESPONSE FILES

Beginning November 1, 2008, the buy-in file is run twice per month (the first and third Wednesdays of each month). The MMA data file, created from the Medicare A and B Buy-In file data, usually is generated the Friday night after each buy-in file is run and transmitted to CMS within a couple of workdays. The purpose of this file is to identify Medicaid recipients that have Medicare and therefore are eligible for the Low Income Subsidy and enrollment in a PDP.

Several days following the submission of each file to CMS, CMS transmits a response file back to North Carolina. This response file contains information regarding Medicare entitlement. **The MMA response file can be run as soon as it is returned from CMS.**

1. Data is updated in EIS **as follows:**

If more than one MMA response file is updating in EIS on the same night, the EIS data is updated in the order in which the files were received.

The most current Medicare A, B, C, and D information in EIS is compared to the most current information on the response file to determine if there is a change that needs to be posted to EIS.

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I. A. (CONT'D)

2. EIS matches the recipient data on the response file to the appropriate recipient in EIS and updates the EIS Medicare data as appropriate.
3. EIS enters a CITIZEN/ID code of 50 for all active recipients on the response file unless a CITIZEN/ID code of 10 is already in EIS. The date is the date the CITIZEN/ID code was entered or updated in EIS.
4. EIS displays certain Medicare information for caseworker use on the Medicare A/B, Medicare C, and Medicare D screens.
5. EIS keeps an indicator in EIS, on the Medicare D Entitlement screen, to indicate for each Medicare recipient when Medicaid pays for drugs and when it does not pay.
6. EIS passes the Medicaid Drug Coverage indicator and date to the Medicaid claims processing contractor.
7. EIS prints the necessary Medicare information on the Medicaid card.
8. EIS notifies the Medicare recipient (full dual eligible) at approval that Medicaid will not cover prescription drugs and also notifies the recipient when changes in prescription drug coverage occur.

B. MEDICARE DATA SCREENS

These screens are populated with Medicare information keyed on the DSS-8125 as well as information from the MMA response files. Listed below are the screens in EIS.

1. Medicare A/B Entitlement Data,
2. Medicare C Entitlement Data,
3. Medicare D Entitlement Data with the Medicaid Drug Coverage indicator segments and notice dates, and
4. Medicare D Enrollment Data.

See [EIS 1054](#) for more detailed information on how to use these screens.

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I. (CONT'D)

C. APPLICATION APPROVAL - MEDICARE A & B DATA SCREENS

The Medicare A & B Entitlement screens are populated using information entered by the caseworker into the DSS-8125 screen in EIS at application approval.

1. Medicare eligibility must be verified in SOLQ prior to keying Medicare A and/or B on the DSS-8125. Keying "Y" or "N" in this field, sets the Medicaid Drug Coverage indicator on the Medicare D Entitlement screen to allow or disallow payment of prescription drugs through Medicaid.
2. If the caseworker enters "Y" for Medicare A and/or B, the corresponding Medicare Entitlement code and Medicare Buy-In indicator will display a "Z". The "Z" remains until the MMA response file is run and verifies whether the recipient has Medicare A and/or B.

When the MMA response file is run in EIS, EIS reads the file and make changes to the Medicare Entitlement code and Buy-In. The "Y" keyed by the caseworker on the DSS-8125 changes from a "Z" to a "Y" or "N" depending on the most current Medicare Entitlement data from CMS.

Note: If a caseworker needs to correct a "Y" keyed in error, contact the Claims Analysis Unit for a manual correction. (See [EIS 1200](#) State Office Contacts.)

3. If the caseworker enters "N" for Medicare A and/or B, the Buy-In indicator is blank. For the Medicare A and/or B Entitlement code:
  - a. If the most current Medicare Entitlement segment is an "N", EIS does not update the screen.
  - b. If the most current Medicare Entitlement segment is a "Y" or "Z", EIS does not update that segment. It builds an "N" segment with a start date of the first day of the next month (using current day and not cycle month).

Note: When the Medicare indicator "Y" is keyed for Medicare A and/or B on the DSS-8125, it should be entered no earlier than the month prior to the Medicare eligibility start date. Coverage entered prior to the month before the Medicare start date results in the individual having no prescription drug coverage through Medicaid or Medicare.

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**I.C.3. (CONT'D)**

**Initial approvals with future Medicare A and/or B entitlement should be keyed as indicated in the following example:**

The application is taken in January, 2007 with Medicaid eligibility in January, 2007. The Medicare Effective Date is 3/1/2007. In early February, the caseworker keys an 8125 as open/shut for the months of January and February and enters an "N" for Medicare A and/or B. The caseworker can then approve an ongoing application (administrative) and enter "Y" for Medicare A and/or B using the Cert From Date of January, 2007 and Medicaid Effective Date of 3/1/2007.

**D. REAPPLICATION APPROVAL - MEDICARE A & B DATA SCREENS**

If a caseworker enters "N" for Medicare A and/or B on the DSS-8125 and the existing Medicare Entitlement code on the EIS Medicare Screen and Buy-In is "Z":

1. Medicare A and/or B Entitlement code changes to "N".
2. "Z" is deleted from the Medicare A and/or B Buy-In field.
3. Post Date is the date the action processes in EIS.
4. EIS is entered in the Updated By field.

**E. MEDICARE C ENTITLEMENT**

Medicare C data on the Medicare C Entitlement Data screen is populated only by the MMA response file. When EIS data is updated from an MMA response file, the data populates the Company name, Plan name, RSDI Claim number, Contract Number, the Start Date, the End Date, the Post Date, and the Updated by field when there is new or changed Medicare C information.

**F. APPLICATION APPROVAL - MEDICARE D ENTITLEMENT DATA SCREEN**

The Medicare D Entitlement screen is populated using information entered by the caseworker into the DSS-8125 screen in EIS at application approval.

1. If the caseworker enters "Y" for Medicare A and/or B, the Medicare D Entitlement code displays a "Z". The "Z" remains until the MMA response file is run and verifies whether the recipient has Medicare A and/or B.

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**I.F.1. (CONT'D)**

1. When the MMA response file is run in EIS, EIS reads the file and make changes to the Medicare Entitlement code and Buy-In. The "Y" keyed by the caseworker on the DSS-8125 changes from a "Z" to a "Y" or "N" depending on the most current Medicare entitlement data from CMS.
2. If the caseworker enters "N" for Medicare A and/or B, the Buy-In indicator is blank. For the Medicare A and/or B Entitlement code:
  - a. If the most current Medicare D Entitlement segment is an "N" or "Y", EIS does not update the screen.
  - b. If the most current Medicare D Entitlement segment is a "Z", EIS does not update that segment. It builds an "N" segment with a start date of the first day of the next month (using current day and not cycle month).

Note: If a caseworker needs to correct a "Y" keyed in error, contact the Claims Analysis Unit for a manual correction. (See [EIS 1200](#) State Office Contacts.)

**G. REAPPLICATION APPROVAL - MEDICARE D ENTITLEMENT DATA SCREEN**

If a caseworker enters "N" for Medicare A and/or B on the DSS-8125, and the existing Medicare Entitlement code on the EIS Medicare D Entitlement screen and Buy-In is "Z":

1. Medicare A or B Entitlement code changes to "N".
2. "Z" is deleted from the Medicare A and/or B Buy-In field.
3. Post Date is the date the action processes in EIS.
4. EIS is entered in the Updated By field.

**H. MEDICAID DRUG COVERAGE INDICATOR - MEDICARE D ENTITLEMENT SCREEN**

This is a segment created and updated by EIS to indicate whether Medicaid is paying for prescription drugs for the recipient. EIS creates the Medicaid Drug Coverage indicator based on the Medicare D Entitlement code.

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I. H. (CONT'D)

1. If the Medicare D Entitlement code is "Z" or "Y", an "N" indicator is created (Medicaid is not paying for drug coverage).
2. If the Medicare D Entitlement code is a space or an "N", a "Y" indicator is created (Medicaid is paying for drug coverage).
3. For approvals, the Medicaid Drug Coverage date is the Retro 1 effective date if entered on the DSS-8125. If Retro 1 is not entered, the Medicaid Drug Coverage date is the earlier of the Certification From Date or the Medicaid Effective Date.
4. The Medicaid Drug Coverage date cannot be prior to January 2006.

II. AUTOMATED NOTICE CHANGES FOR MEDICAID PROGRAMS

For automated notice changes for the Work First Program, see the Work First User's Manual. For automated notice changes for the Special Assistance program, see [EIS 4000, Appendix D](#).

A. APPROVAL NOTICES (DSS-8108)

An individual approved for Medicaid (excluding MQB) who is also Medicare receives an approval notice that indicates Medicaid does not cover prescription drugs.

When "Y" is keyed for Medicare A and/or B on the DSS-8125, EIS prints the following text on the automated approval notice:

"If you receive Medicare, Medicare is responsible for your prescriptions."

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II. (CONT'D)

B. TIMELY ACTION NOTICES (DSS-8110)

EIS produces an automated timely notice when a recipient becomes Medicare eligible. This notice serves to notify the Medicaid/Medicare (excluding MQB) recipient that Medicaid no longer covers prescription drugs.

Note: For MMA response file changes, this is a new notice. The notice is a special laser printed notice, not a DSS-8110. See [Section 2312, Figure 1](#), of the Adult Medicaid Manual.

1. A notice is printed when the Medicare D Entitlement indicator on the Medicare D Entitlement screen changes from a blank or "N" to a "Z" or "Y".
2. If the change in the Medicare A and/or B is due to the MMA response file, the timely notice is generated automatically the night the response file data is entered in EIS. The action processes in EIS with the Medicaid Drug Coverage indicator changing effective the ongoing month.

Example:

MMA response file data is loaded to EIS on 1/30/06. The timely notice is generated that night and the Medicaid Drug Coverage indicator changes that night with the change to be effective 3/2006. The notice states that Medicaid will no longer pay for prescription drugs effective 3/1/06.

3. For actions on the DSS-8125 where the Medicare A and/or B is changed to "Y" and the caseworker is completing some other timely action and has keyed a timely action code, EIS prints the following text on the notice:

"Now that you are enrolled/receiving Medicare, Medicaid will not pay your prescriptions. Medicare is responsible for your prescriptions."

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II. B. (CONT'D)

4. A notice is generated the night the DSS-8125 with the timely notice code processes, however, the Medicare D Entitlement and Medicaid Drug Coverage indicator does not change in EIS until the form processes after the 10 day notice has expired. The effective date for the Medicaid Drug Coverage indicator change is the Medicaid Effective Date that processes via the DSS-8125 action.

Examples:

- a. A DSS-8125 is keyed on 1/25/06 with a timely change code (pull deadline). The form will process 10 workdays later on 2/9/06 and the Medicaid Drug Coverage indicator changes effective 3/1/06.
  - b. A DSS-8125 is keyed on 2/10/06 with a timely change code. The form processes 10 workdays later on 2/27/06 and the Medicaid Drug Coverage indicator changes effective 4/1/06 since 2/27/06 is after the processing deadline (the fourth work day from the end of the month).
5. The effective date for the change in the Medicaid Drug Coverage indicator is the first day of the ongoing month.
  6. The Medicare D Entitlement (MD) screen in EIS indicates the mail date of the timely notice. The notice information is also available on the Notice Register Report in X/PTR.

C. ADEQUATE ACTION NOTICES (DSS-8110)

EIS produces an automated adequate notice when it is reported that a recipient no longer has Medicare. This notice serves to notify the Medicaid recipient that Medicaid will begin to cover prescription drugs. Medicare no longer covers prescription drugs.

1. A notice is printed when the Medicare D Entitlement indicator changes from "Z" or "Y" to "N".

Note: For MMA response file changes, this is a new notice. The notice is a special laser printed notice, not a DSS-8110. See Section [2312, Figure 1](#), of the Adult Medicaid Manual.

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II.C. (CONT'D)

2. The notice includes the following text:  
  
"Now that you are no longer enrolled/receiving Medicare, Medicaid will pay your prescriptions."
3. The Medicare D Entitlement (MD) Screen indicates the mail date of the adequate action notice. The notice information also is available on the Notice Register Report in X/PTR. The effective date of the notice is the ongoing month.
4. EIS processes the action the night the form is keyed or the night the MMA response file is processed and also updates the Medicare Entitlement and Medicaid Drug Coverage indicator that night.
5. EIS does not react to changes in Medicare from "Y" to "N" on the DSS-8125. If a caseworker needs to correct a "Y" they keyed in error, they must contact the Claims Analysis Unit to make the correction. (See [EIS 1200](#) State Office Contacts.)
6. If an adequate change code is keyed on the DSS-8125 and the Medicare A and/or B indicator is changed from "N" to "Y", EIS requires a manual notice be sent for the Medicare change. Remove the change to Medicare from the form and the form processes that night with the adequate action. Key a second DSS-8125 the following workday to change the Medicare status to "Y" and use the timely code "1X". The action pends for 10 workdays. The Medicaid Drug Coverage indicator is updated at the end of the 10th workday with an effective date of the current processing month in EIS.
7. Changing MAABD in deductible status to MQB and changing Medicare status on the DSS-8125 from "N" to "Y" is an adequate change. The transfer code is 6J. The caseworker can use the automated notice in this situation.

Use the automated notice when going to MQB since MQB has no drug coverage.

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II. C. (CONT'D)

8. Changing Medicaid Class to Q and changing Medicare Status on the DSS-8125 from "N" to "Y" is change code 75. The caseworker must complete a manual timely notice and enter the form at the end of the timely notice period. Override the adequate notice at that time.

D. SSI APPROVAL NOTICES

The SSI approval notice will notify the recipient about prescription drug coverage. The notice will include the following text:

"You are eligible for all medical care services covered by the North Carolina Medicaid Program unless you also receive Medicare. If you receive Medicare, Medicare is responsible for your prescriptions."