



Medicare Part D Enrollment for Dual-Eligible Beneficiaries in Nursing Homes

Medicare beneficiaries residing in facilities under a Medicare Part A stay, typically admitted for rehabilitation following an inpatient hospital episode, receive drug benefits under the Medicare Part A Skilled Nursing Facility Prospective Payment System (SNFPPS). Medicaid covers drug benefits for Medicaid recipients who are not eligible for Medicare.

The majority of nursing home residents are dually eligible for both Medicare and Medicaid. These residents, known as dual eligibles, receive drug coverage from Medicare from the Medicare Prescription Drug Benefit, under either Medicare Part D or Medicare Part C (Medicare Advantage).

Early on in the implementation of the Medicare drug benefit the Centers for Medicare and Medicaid Services (CMS) recognized the importance of ensuring that this vulnerable population had uninterrupted access to drug coverage, since up to that time they received drug coverage under the Medicaid benefit.

Nursing home residents posed a special challenge since a high percentage of nursing home residents have cognitive impairment and were not able to make plan choices for themselves. CMS made the decision to automatically enroll dual eligibles in Medicare Part D plans in the event they did not choose a plan for themselves.

When a beneficiary is auto-enrolled in a plan and doesn't elect to change to a different PDP during the year the beneficiary is rolled over into the same plan if the PDP remains eligible to accept auto-assignments during the next annual enrollment period. However, if the PDP into which the beneficiary was auto-enrolled is no longer operating or is no longer eligible for auto-assignment the beneficiary is typically auto-enrolled into a plan operated by the same organization if such a plan exists.

In anticipation of the annual open enrollment period, [CMS publishes a list of PDPs](#) available for each state and designates which plans qualify for auto-enrollment. [LTCPharmacy.net publishes a spreadsheet](#) each year once the CMS document is released. The document compares auto-assignment plans available for the current year, as well as those eligible for auto-enrollment in the upcoming year.

The document is intended to help LTC pharmacies determine which of their auto-enrolled residents will have their auto-assigned plans changed and the plan that will likely replace the current plan if such a plan exists.

For Further Information:

[Medicare Prescription Drug Benefit Manual, Chapter 3](#)