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TO: All Medicare Advantage Organizations (MA), Prescription Drug Sponsors (PDP), Cost Plans, Program of All-Inclusive Care for the Elderly (PACE), and Demonstration Organizations

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SUBJECT: Dual/LIS Special Enrollment Period Updates for Contract Year 2025

In the CY 2025 Final Rule ([CMS-4201-F3 and CMS-4205-F](#)), the Centers for Medicare & Medicaid Services (CMS) published regulation changes that impact enrollment. The Contract Year 2025 Medicare Advantage and Part D Enrollment and Disenrollment Guidance,¹ released on August 8, 2024, further described these changes. This memorandum provides guidance on enrollment processes related to the special enrollment period (SEP) for dually eligible individuals and other low-income subsidy (LIS) eligible individuals (hereafter referred to as the Dual/LIS SEP).²

Background and Enrollment Processing

There is a quarterly Dual/LIS SEP for individuals who have Medicare Part A and/or Part B and receive assistance from Medicaid or the LIS program. The current quarterly Dual/LIS SEP allows an individual to enroll in, or disenroll from, an MA or Part D plan once per calendar quarter during the first nine months of the year. It may not be used in the 4th quarter of the year (October – December).

Currently, plans submit the election type code ‘L’ for the dual/LIS SEP on enrollment transactions.

Changes to the Dual/LIS SEP Effective January 1, 2025

¹ <https://www.cms.gov/files/document/cy-2025-cd-enrollment-and-disenrollment-guidance.pdf>

² Note that this SEP does not apply to Medicare-Medicaid Plans (MMPs) as all capitated model demonstrations under the Financial Alignment Initiative include Medicare waivers that allow individuals to enroll into MMPs on a monthly basis.

In the CY 2025 Final Rule, CMS finalized changes to the Dual/LIS SEP at 42 CFR 423.38(c)(4). As of January 1, 2025, CMS is replacing the current quarterly Dual/LIS SEP with a one-time-per month SEP for dually eligible individuals and others enrolled in the LIS program to elect a standalone PDP.

The new Dual/LIS SEP allows full-subsidy eligible individuals (including all full-benefit and partial-benefit dually eligible individuals) or other subsidy eligible individuals (defined in § 423.772 as an individual meeting the eligibility requirements under § 423.773(d)) to enroll once per month into any standalone PDP. The new Dual/LIS SEP does not permit enrollment into MA-only or MA-PD plans or changes between MA-only or MA-PD plans. Eligible individuals can also use the SEP to switch between standalone PDPs monthly.

NOTE: Per § 423.38(c)(4)(ii), an individual is not eligible for this revised SEP if the individual has been identified as an “at-risk beneficiary” or “potential at-risk beneficiary.” See § 423.100 for definitions of “at-risk beneficiary” and “potential at-risk beneficiary.”

Beginning January 1, 2025, standalone PDPs must submit enrollment transactions using the new MARx Dual/LIS SEP Election Type Code ‘Q-DUAL/LIS MN SEP’. The corresponding Online Center Enrollment (OEC) Reason Code is ‘DEP’. The Dual/LIS SEP may be used once per month with an effective date of the first of the following month.

The previous ‘L’ election type code will be discontinued as of January 1, 2025. Any enrollment transactions submitted with an effective date of January 1, 2025, or after using the election type code ‘L’ will be rejected. Plans will be able to use the ‘L’ election type code for reconciliation of enrollment transactions for 2024 effective dates only.

A technical assistance resource for the integrated care SEP and Dual/LIS SEP is available here: <https://cmsnationaltrainingprogram.cms.gov/resources?keys=New+Special+Enrollment+Periods>. Please contact your CMS Account Manager and the MMCO Enrollment Team at <mailto:MMCOEnrollment@cms.hhs.gov> with any questions.