

into a standalone Part D plan in accordance with § 423.34(d) following their LI NET coverage.

(b) *Enrollment.* Individuals who are eligible for LI NET as defined in § 423.2504 are enrolled into the LI NET program as follows:

(1) *Automatic enrollment.* Beneficiaries who are LIS-eligible and whose auto-enrollment into a Part D plan (as outlined in § 423.34(d)(1)) has not taken effect will be automatically enrolled by CMS into the LI NET program unless the beneficiary has affirmatively declined enrollment in Part D per § 423.34(e);

(2) *Point-of-sale enrollment.* An individual who is not automatically enrolled in accordance with paragraph (b)(1) of this section and whose claim is submitted at the point-of-sale and accepted by the LI NET sponsor will be enrolled into the LI NET program by the LI NET sponsor; or

(3) *Direct reimbursement request.* An individual described in paragraph (a)(1) of this section who is not automatically enrolled in accordance with paragraph (b)(1) or at the point-of-sale as provided in paragraph (b)(2) of this section and who submits a direct reimbursement request form, receipts for reimbursement for eligible claims paid out of pocket (with and optional documentation of LIS eligibility listed in paragraph (a)(3) of this section), will be retroactively enrolled into the LI NET program by the LI NET sponsor. The LI NET sponsor has 14 calendar days to reply with a coverage decision; or

(4) *LI NET application form.* An individual who is not enrolled through one of the methods in paragraphs (b)(1) through (3) of this section may submit an LI NET application form to the LI NET sponsor (with optional documentation of LIS eligibility listed in paragraph (a)(3) of this section). If no documentation is submitted and accepted, the LI NET sponsor will periodically check for eligibility and enroll applicants once LIS eligibility is confirmed.

(c) *Duration of LI NET enrollment.* (1) Enrollment begins on the first day of the month an individual is identified as eligible under this section and ends after 2 months, with a longer LI NET enrollment for those with retroactive

coverage per paragraph (c)(2) of this section.

(2) Retroactive LI NET coverage begins on the date an individual is identified as eligible for a low-income subsidy as a full-benefit dual eligible or an SSI benefit recipient, or 36 months prior to the date such individual enrolls in (or opts out of) Part D coverage, whichever is later. LI NET coverage ends with enrollment into a Part D plan or opting out of Part D coverage.

(d) *Ending LI NET enrollment.* An individual's enrollment in the LI NET program ends when:

(1) The individual is auto-enrolled into a standalone Part D plan in accordance with the guidelines at § 423.34(d) and that coverage has taken effect.

(2) The individual elects another Part D plan and that coverage has taken effect.

(3) The individual voluntarily disenrolls from the LI NET program.

(4) The individual is involuntarily disenrolled under § 423.44(b).

(5) LIS eligibility for an individual in LI NET due to an immediate need cannot be confirmed within the period of LI NET coverage.

**§ 423.2508 LI NET benefits and beneficiary protections.**

(a) *Formulary.* The LI NET program provides access to all Part D drugs under an open formulary.

(b) *Network.* The LI NET sponsor must allow its network and out-of-network pharmacies that are in good standing to process claims under the program. Licensed pharmacies are considered to be in good standing for the LI NET program so long as they: are not revoked from Medicare under § 424.535; do not appear on the Office of Inspector General's list of entities excluded from Federally funded health care programs pursuant to section 1128 of the Act or from Medicare and State health care programs under section 1156 of the Act (unless waived by the OIG); do not appear on the preclusion list as defined at § 423.100; and do not have a determination by the LI NET sponsor of a credible allegation of fraud as defined at § 423.4.