

## **CENTER FOR DRUG AND HEALTH PLAN CHOICE**

---

### MEMORANDUM

**DATE:** February 20, 2010

**TO:** All Medicare Advantage Organizations

**FROM:** Danielle R. Moon, J.D., M.P.A.  
Director, Medicare Drug & Health Plan Contract Administration Group

**SUBJECT:** Guidance for Submitting SNP Proposals

The purpose of this memorandum is to clarify that Medicare Advantage Organizations (MAOs) currently offering Special Needs Plans (SNPs) for Dual Eligibles (DE-SNPs) who would like to offer the same product(s) during the 2011 contract year are **not** required to submit a new SNP proposal during the 2010 application cycle in order to continue operating in Contract Year (CY) 2011. However, these organizations must submit a signed State Medicaid contract, along with a completed State Agency contract matrix, by September 1, 2010. MAOs offering DE SNPs that wish to offer another type of DE SNP, or pursue a service area expansion for their existing DE SNP should review the guidance provided at the end of this memorandum.

We would also like to take this opportunity to remind MAOs offering SNPs of any type of the situations in which they must submit a new proposal for 2011.

### **SNPs Required to Submit a New Proposal:**

- Any new SNP (Chronic, Dual Eligible or Institutional)
  - New DE-SNPs must be classified as either “Medicaid subset \$0 cost share” or “Medicaid subset Non-\$0 cost share”
- Current DE-SNPs that anticipate contracting with a State Medicaid Agency to provide services for a subset of the population they currently serve
- Any existing Chronic or Institutional SNP seeking to expand its service area. **Note:** Organizations planning to expand their contract service area must complete **both** an MA application and SNP proposal.

### **SNPs Not Required to Submit a New Proposal:**

- Current Full or All Dual DE-SNPs with State Medicaid Contracts serving All Dual Eligibles or Full Dual Eligibles
- Existing Chronic and Institutional SNPs that are not expanding their service area
- Existing DE-SNPs that currently do not have a contract with their State Medicaid Agency and that wish to continue operations in 2011 and continue serving their current population (Note: A new State Medicaid contract is required.)
- Existing DE-SNPs continuing to serve their current populations that are approved as a Medicaid subset and have a contract that includes the required MIPPA elements

with the State Medicaid Agency that was approved by CMS during the contract period.

- All non-renewing SNP plans

**Process to Convert Existing All Dual, Full Dual and \$0 Cost Share/ Non \$0 Cost Share DE SNP**

For CY 2011, CMS will allow existing All Dual, Full Dual and Medicaid Subset, \$0 Cost Share and Non-\$0 Cost Share DE-SNPs to convert to another DE SNP type. Organizations interested in making this conversion must complete the table below and send it to Darlene Anderson (darlene.anderson@cms.hhs.gov) by no later than **Thursday, February 25, 2010**. Submission of a new application is not required.

<u>Contract Number</u>	<u>Plan ID</u>	<u>Current DE SNP Type</u>	<u>Desired DE SNP Type</u>
<u>HXXXX</u>	<u>XXX</u>	<u>Example: Dual Eligible – All Dual</u>	<u>Example: Dual Eligible – Full Dual</u>

These organizations must also submit a contract with the State Medicaid Agency and a completed matrix by September 1, 2010. Additionally, the table above must be completed by organizations with current or anticipated State Agency contracts that do not fully match their designated SNP type with respect to who is eligible to enroll. This will ensure that the target population for the SNP matches that in the State Medicaid contract.

**Service Area Expansion Process for All Dual, Full Dual and \$0 Cost Share / Non \$0 Cost Share DE SNPs**

All Dual, Full Dual and \$0 Cost Share/Non \$0 Cost Share SNPs must indicate their desire for a service area expansion (SAE) via the plan creation module in HPMS, which will become available in April 2010. Please note that the service area(s) must match those in the State Medicaid Contract.

The following steps should be used for the SAE:

- 1.) Logon to HPMS and navigate to Plan Bids > Bid Submission > Contract Year 2011 > Manage Plans > Set-up Plans.
- 2.) Select the appropriate Contract Number and then select the All Dual, Full Dual or \$0 Cost SNP you wish you modify.
- 3.) Select the Action “Edit/View an Existing Plan’s Service Area” and press “Next.”
- 4.) Highlight the appropriate SAE counties in the Contract Service Area List box and press the “Add” Button to include the counties in the SNP plan level service area.
- 5.) Press the “Next” button to apply the changes.

The application submission deadline is **11:59 p.m. EST, February 25, 2010**. If you have any questions concerning this memorandum, please contact Darlene Anderson (410)786-9828 or by e-mail at darlene.anderson@cms.hhs.gov.