

Department of Health & Human Services
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244-1850



CENTER FOR DRUG AND HEALTH PLAN CHOICE

MEMORANDUM

DATE: April 6, 2010

TO: Medicare Advantage Organizations offering Special Needs Plans

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

SUBJECT: Contract Guidance for Medicare Advantage Organizations and State
Medicaid Agencies for Dual-Eligible Special Needs Plans

The Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) allowed existing Dual Eligible (DE) Special Needs Plans (SNPs) that were not seeking to expand its service area to continue to operate for the 2010 contract year. These SNPs did not need to have a contract with their respective State Medicaid Agency. The Patient Protection and Affordable Health Care Act extended this provision for existing SNPs through December 31, 2012.

However, all Medicare Advantage Organizations seeking to offer new DE SNPs in 2011 (i.e., those that serve individuals eligible for both Medicare and Medicaid), or those seeking a service area expansion for contract year 2011, are still required to have a contract with their State Medicaid Agency. Please contact your regional office account manager with any questions.