

MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

DATE: January 17, 2014

TO: All Medicare Advantage Organizations

FROM: Danielle Moon, J.D., M.P.A.
Director

SUBJECT: Update to Chapter 16b of the Medicare Managed Care Manual

Accompanying this memo is the final version of Chapter 16b of the Medicare Managed Care Manual (MMCM) titled: “Special Needs Plans.” The updated chapter will be available at: <http://www.cms.gov/Medicare/Health-Plans/HealthPlansGenInfo/index.html> soon. With the exception of our revisions to the eligibility verification for C-SNPs, this updated chapter is effective for the 2014 contract year.

We issued the draft revisions to Chapter 16b for public comment on September 4, 2013, and have made a number of revisions in response to those comments, including the following:

- We eliminated the option for C-SNPs to employ an “expanded alternative methodology” in order to verify a beneficiary’s eligibility for enrollment into the C-SNP. As the vast majority of MAOs offering C-SNPs are able to verify a potential enrollee’s eligibility without having to use alternative methods, we do not believe there is a need for additional flexibility in this regard, and want to ensure that beneficiaries’ eligibility is confirmed promptly. We have therefore finalized our guidance to clarify that eligibility for all enrollees of a C-SNP must be validated by a physician either prior to enrollment or within the first month after enrollment. However, after consideration of comments from the limited number of C-SNPs that currently use expanded alternative methodologies for validation of eligibility, we have decided to afford these organizations a 6-month transition period (through June 30, 2014) to implement eligibility verification processes consistent with the guidance in this updated chapter.
- We clarified that MAOs are no longer required to reconfirm an enrolled beneficiary’s C-SNP eligibility at least annually. We believe that this change is warranted because the severe and disabling chronic condition or conditions that qualify beneficiaries for enrollment in a C-SNP, by definition, are ongoing and usually considered to be life-long ailments. Therefore, we believe that reconfirmation of those conditions is unnecessary.
- We relocated the Model of Care section into Chapter 5 of the MMCM, “Quality Improvement Program.” We expect to issue this chapter in final in the near future.

- We removed most of the information about SNP marketing requirements from section 70 of the Chapter in favor of referring readers to Chapter 3, “Marketing Guidelines,” of the MMCM. The information we included in the draft version of the Chapter, as well as the information that had been included in previous versions of Chapter 16b, is duplicative of what is included in Chapter 3 of the MMCM.

Note that only phrases, paragraphs, and sections that present significant, new, or modified guidance are identified in red italics.

Please direct any questions about the policies articulated in this Chapter to your respective Regional Office Account Manager.