



**MEDICARE-MEDICAID COORDINATION OFFICE**

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**DATE:** November 1, 2022

**TO:** Medicare Advantage Organizations Offering Dual Eligible Special Needs Plans  
Approved for Contract Year 2023

**FROM:** Kimberly Spalding Bush  
Director, Program Alignment Group  
Medicare-Medicaid Coordination Office

**SUBJECT:** Updates to the Health Plan Management System Default Enrollment Module for  
Dual Eligible Special Needs Plans Effective January 1, 2023

In this memorandum,<sup>1</sup> the Centers for Medicare & Medicaid Services (CMS) is announcing the release of new updates to the Health Plan Management System (HPMS) Default Enrollment Module (DEM). On September 9, 2022, CMS implemented changes to the DEM that will allow Medicare Advantage (MA) organizations offering dual eligible special needs plans (D-SNPs) approved by CMS for Contract Year (CY) 2023 to submit for CMS review their proposals to conduct default enrollment, in advance of their January 1, 2023 contract effective date.

Default enrollment is an opportunity to coordinate the delivery of healthcare services to dually eligible Medicare and Medicaid beneficiaries by aligning their Medicaid managed care (MCO) enrollment with an affiliated Medicare Advantage (MA) D-SNP offered by the same organization when an existing MCO enrollee becomes eligible for Medicare Parts A and B for the first time. An affiliated MCO is one offered under the same legal entity or parent organization as the D-SNP.

For more information about default enrollment, please see [42 CFR 422.66 \(c\)\(2\)](#) and section 40.1.4 of Chapter 2 of the Medicare Managed Care Manual, which can be found on the [CMS MA enrollment webpage](#).

D-SNPs must satisfy a range of requirements to conduct default enrollment.<sup>2</sup> However, prior to submitting proposal documents to CMS for review, D-SNPs must:

- Demonstrate state approval to conduct default enrollment;
- Not be prohibited by CMS from enrolling new beneficiaries; and
- Have a minimum overall quality rating from the most recently issued Star Ratings of at least 3 stars (or be a low enrollment contract or new MA plan as defined in 42 CFR 422.252).

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<sup>1</sup> The contents of this document do not have the force and effect of law and are not meant to bind the public in any way, unless specifically incorporated into a contract. This document is intended only to provide clarity to the public regarding existing requirements under the law.

<sup>2</sup> Fact Sheet July 2019; Using Default Enrollment to Align Coverage for Dually Eligible Medicare-Medicaid Beneficiaries  
[https://www.integratedcareresourcecenter.com/sites/default/files/Default\\_Enrollment.pdf](https://www.integratedcareresourcecenter.com/sites/default/files/Default_Enrollment.pdf)

CMS approves D-SNPs to use the default enrollment mechanism for a period of up to five years.

The proposal submission functionality is located in the DEM of HPMS. MA organizations offering D-SNPs newly approved by CMS for Contract Year (CY) 2023 can submit for CMS review their proposals to conduct default enrollment in advance of the January 1 contract effective date by accessing the module using the following navigation path: *HPMS Homepage > Contract Management > Default Enrollment > Proposal > Proposal Submission*.

Instructions on how to complete and submit proposal documents can be found in the *Plan User Guide* located in HPMS at the following path: *HPMS Homepage > Contract Management > Default Enrollment > Documentation > Quick Reference Guide > Plan User Guide*.

Upon completion of the proposal submission process, HPMS will send an auto-generated confirmation email to the Medicare Compliance Officer, the CMS MAO Account Manager and the Medicare-Medicaid Coordination Office at [MMCO\\_DSNPOperations@cms.hhs.gov](mailto:MMCO_DSNPOperations@cms.hhs.gov).

If you have any questions about the contents of this memorandum, please contact the Medicare-Medicaid Coordination Office at [MMCO\\_DSNPOperations@cms.hhs.gov](mailto:MMCO_DSNPOperations@cms.hhs.gov) and copy your CMS Account Manager.