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**DATE:** August 27, 2021

**TO:** All Medicare Advantage Organizations and Medicare-Medicaid Plans

**SUBJECT:** Reminder About Rental Support and General Supports for Living as Special Supplemental Benefits for Chronically Ill Enrollees

The Centers for Medicare & Medicaid Services (CMS) reminds Medicare Advantage (MA) plans that they are able to provide rental support and other general supports for living<sup>1</sup> as a special supplemental benefit for chronically ill enrollees under 42 CFR § 422.102(f). These benefits are permissible only for enrollees with one or more comorbid and medically complex chronic conditions that meet certain requirements specified at § 422.102(f)(1)(i) where the benefit has, with respect to a chronically ill enrollee, a reasonable expectation of improving or maintaining the health or overall function of the enrollee. For MA plans that are participating in the Innovation Center’s [Medicare Advantage Value-Based Insurance Design Model](#) in the *VBID Flexibilities* Component, such benefits are permissible for targeted enrollees with one or more chronic conditions and/or low-income subsidy status, where the benefit has, with respect to a targeted enrollee, a reasonable expectation of improving or maintaining the health or overall function of the enrollee. If an MA plan wishes to add rental support and other general supports for living as a special supplemental benefit for chronically ill enrollees as a mid-year change to their 2021 benefit package, this change must be related to COVID-19 and be within the scope of policy adopted by CMS during the COVID-19 PHE to permit mid-year benefit enhancements<sup>2</sup>. We expect MA plans to continue to share information regarding mid-year benefit enhancements with their CMS account managers.

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<sup>1</sup> See the Final Rule, titled [Medicare Program; Contract Year 2021 Policy and Technical Changes to the Medicare Advantage Program, Medicare Prescription Drug Benefit Program, and Medicare Cost Plan Program, published in the Federal Register on June 2, 2020 \(85 FR 33796, 33801\)](#) and [April 24, 2019, HPMS Memo titled “Implementing Supplemental Benefits for Chronically Ill Enrollees.”](#) General supports for living may be provided for a limited or extended duration as determined by the MA plan. The benefit may include plan-sponsored housing consultations and/or subsidies for rent or assisted living communities. Plans may also include subsidies for utilities such as gas, electric, and water as part of the benefit.

<sup>2</sup> See [May 22, 2020, HPMS Memo titled “Information Related to Coronavirus Disease 2019 – COVID-19”](#) for additional information on permissive actions and flexibilities.