

MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

DATE: April 5, 2011

TO: All Medicare Advantage Organizations

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

SUBJECT: Special Needs Plan Approval Process Scoring Criteria for Contract Year 2012

Included with this memorandum is the *Special Needs Plan Approval Process Scoring Criteria for Contract Year 2012* that provides guidance to Medicare Advantage (MA) organizations regarding the specific criteria used by the National Committee for Quality Assurance (NCQA) during the SNP approval evaluation process for CY 2012.

The Affordable Care Act amended section 1859(f) of the Social Security Act to require that all SNPs, existing, new, and those wishing to expand their service areas, be approved by NCQA effective January 1, 2012 and subsequent years. Section 1859(f) of the Act further specified that the NCQA approval process shall be based on the standards established by the Secretary.

Our final rule, “Medicare Program; Changes to the Medicare Advantage and the Medicare Prescription Drug Benefit Programs for Contract Year 2012 and Other Changes,” which was placed on display at the Office of the Federal Register today, establishes the standards for the NCQA approval process beginning for CY 2012. Specifically, §§ 422.4(a) (iv), 422.101(f), and 422.152(g) require that the NCQA approval process be based on evaluation and approval of the model of care (MOC), as per CMS guidance.

Earlier this year, we required MA plans wishing to offer a SNP to submit their model of care (MOC) as part of the application process. As specified in the attached scoring criteria document, the NCQA SNP approval process is based on scoring each of the eleven (11) clinical and non-clinical elements of the MOC in the SNP proposal. The MOC includes the following clinical and non-clinical elements:

1. Description of the SNP-specific Target Population
2. Measurable Goals
3. Staff Structure and Care Management Goals
4. Interdisciplinary Care Team
5. Provider Network having Specialized Expertise and Use of Clinical Practice Guidelines and Protocols
6. Model of Care Training for Personnel and Provider Network
7. Health Risk Assessment
8. Individualized Care Plan

9. Communication Network
10. Care Management for the Most Vulnerable Subpopulations
11. Performance and Health Outcome Measurement

Each element is comprised of multiple factors that NCQA will evaluate and score on a scale of 0 to 4, where 4 is the highest score for a factor. Plans are required to provide a response that addresses each of these factors, and the more detailed and in-depth the response (e.g., using multiple specific examples or case study examples), the higher the score. A passing score is seventy (70) percent. We are implementing a multi-year approval process that will allow plans to be granted a longer approval period based on higher MOC scores. The specific time periods for approvals are as follows:

- Plans that receive a score of eighty-five (85) percent or higher on NCQA's evaluation of their MOC are granted SNP approval for three (3) years.
- Plans that receive a score in the seventy-five (75) percent to eighty-four (84) percent range on NCQA's evaluation of their MOC will be granted SNP approval for two (2) years.
- Plans that receive a score in the seventy (70) percent to seventy-four (74) percent range on NCQA's evaluation of their MOC will be granted SNP approval for one (1) year.

As a result of comments received on the proposed rule and to eliminate confusion among the different quality documents that were being required as part of the application process, the quality improvement (QI) program plan was removed from the NCQA SNP approval process in our final rule. However, the QI program plan is still a requirement for the SNP proposal section of the application and was reviewed by CMS using a pass/fail methodology. SNPs must still obtain a "met" on all aspects of the SNP proposal to be eligible to submit a bid for the 2012 contract year.

To minimize the impact implementation of this process may have on some MA organizations and SNPs; we incorporated the SNP approval process into the general SNP application process. During this process, SNPs will have two opportunities to cure their MOCs in parallel with the overall MA application process. The first opportunity to cure the MOCs occurred on March 31, 2011, when deficiency notices were sent to applicants. MOCs scoring below 85 percent were considered deficient to allow SNPs the opportunity to improve their scores. During the first cure opportunity, SNPs received feedback on the elements and factors that need additional work via an email. Plans with questions about their deficiency notices or scores should send an email to SNP_mail@cms.hhs.gov.

The second and final opportunity to cure the MOC will occur when the notices of intent to deny are sent to plans on April 28, 2011. Once again, any SNP that has not achieved a score of 85 percent or more will receive notification and will have a chance to improve its score. SNPs must submit their revised MOC by May 9, 2011. After this final round of curing, SNPs that with MOCs below the minimum score of 70 will be scored as unmet and not approved. All other SNPs will receive a conditional approval per the application procedures until the remaining CMS requirements have been completed. The denial and conditional approval letters are scheduled to be sent out on May 27, 2011.

Throughout this process, CMS, in conjunction with NCQA, has conducted several Open Door Forum Technical Assistance (TA) sessions to assist SNPs with their MOC submissions. During those calls, SNPs received a comprehensive and detailed overview of each clinical and non-clinical element of the MOC and guidance regarding what information should be included as part of their submission, and were afforded the opportunity to ask specific questions. Similar to the TA sessions held during the first cure process, TA sessions are planned for the second cure. Information on these TA sessions will be forthcoming.

We look forward to continuing to work with MA organizations to ensure that they can offer SNP products for CY 2012 consistent with the requirements articulated in this memorandum and the attached *Special Needs Plan Approval Process Scoring Criteria for Contract Year 2012*.