



MEDICARE-MEDICAID COORDINATION OFFICE

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TO: Dual Eligible Special Needs Plans (D-SNPs) and Medicare-Medicaid Plans (MMPs)

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SUBJECT: Clarification of Medicaid provider enrollment provisions for services provided by integrated D-SNPs and MMPs

This memorandum is intended to clarify how the Medicaid managed care provider enrollment provisions at § 5005(b)(2) of the 21st Century Cures Act (adding a new section 1932(d)(6) of the Social Security Act) and 42 C.F.R. § 438.602(b) apply in certain types of Medicare-Medicaid integrated care programs for people dually eligible for Medicare and Medicaid. Under these statutory and regulatory provider enrollment provisions, states are required to screen and enroll all providers furnishing services to Medicaid beneficiaries. This includes network providers participating in a Medicaid managed care organization (MCO), prepaid ambulatory or inpatient health plan, primary care case management arrangement, or primary care case management entity arrangement, even if those providers do not participate in Medicaid fee-for-service (FFS).

Numerous states promote integrated care approaches in managed care, including through:

- (1) coupling Medicaid MCOs and affiliated Medicare Advantage D-SNPs (referred to in this memorandum as “integrated D-SNPs”), or
- (2) MMPs.

For integrated D-SNPs, when an affiliated Medicaid MCO makes a payment to a provider for Medicare cost-sharing, that payment is considered out-of-network if the provider is not an in-network provider for the MCO. As noted in the preamble to the May 2016 Medicaid managed care regulation, 42 C.F.R. § 438.602(b) does not apply to out-of-network providers (81 Fed. Reg. 88 p. 27,602 (May 6, 2016)). Therefore, providers in integrated D-SNPs are not required to participate as a network provider in the Medicaid MCO under this provision in order to receive Medicare cost-sharing payments. However, Medicaid MCOs affiliated with integrated D-SNPs must continue to comply with 42 C.F.R. § 438.602(b) for network providers delivering services for which Medicaid is the primary payer.

For MMPs, it is not necessary to enroll Medicare providers into Medicaid solely for the purposes of paying cost-sharing for Medicare services because MMPs are prohibited under the terms of their contracts from imposing beneficiary cost-sharing for Medicare A and B services. However, MMPs must continue to comply with 42 C.F.R. § 438.602(b) for network providers delivering services for which Medicaid is the primary payer.

If you have any remaining questions regarding the contents of this memorandum, please contact the Medicare-Medicaid Coordination Office at MMCOCapsModel@cms.hhs.gov.