Integrated Care Resource Center

February 23, 2017

Spotlight: Updated Information on the Integrated Denial Notice and Summary of Benefits Document

CMS Releases Revised Integrated Denial Notice and Instructions

On February 9, 2017, the Centers for Medicare & Medicaid Services (CMS) issued a revised Integrated Denial Notice (IDN) and instructions. Medicare plans, including Dual Eligible Special Needs Plans (D-SNPs), should begin to use this notice no later than April 10, 2017. States that contract with D-SNPs to cover some or all Medicaid benefits on a capitated basis should work with their D-SNPs to make this IDN as accurate and clear to beneficiaries as possible.

The instructions clarify the circumstances under which a D-SNP that provides both Medicare and Medicaid benefits should send the IDN. CMS suggests that these D-SNPs begin by determining if the service or item in question is covered by the plan's Medicare or Medicaid benefits. Plans can make such determinations based on the following criteria:

- The item or service is identified in plan materials, such as the Evidence of Coverage (Enrollee Handbook), as solely a Medicaid benefit;
- The item or service was previously approved solely under the plan's Medicaid benefits, and the request is for reauthorization or payment for services following such approval (see below for more discussion);
- The service is only covered under the plan's Medicaid benefits and never covered by Medicare and not covered by the Medicare Advantage plan as a supplemental Medicare benefit. (Medicaid-only services are generally limited to non-medical services such as Medicaid home- and community-based long term services and supports that the plan is contracted to provide to eligible Medicaid beneficiaries, such as personal care attendants). ***States may want to work with their integrated D-SNPs to develop a definitive list of these Medicaid-only services.***

If the request is classified by the plan as a request for payment or coverage under the plan's Medicaid benefits that is fully covered under the plan's Medicaid benefits ***the IDN should not be sent.***

If the request is classified as a request for only Medicaid coverage, and the plan denies coverage or payment in whole or in part under the plan's Medicaid benefits, then ***the plan should send any notices required to meet state Medicaid notice requirements.***

When an integrated D-SNP receives a request for payment or coverage that cannot be readily classified as falling solely under the plan's Medicaid benefits (e.g., the request is for a service with overlapping Medicare and Medicaid coverage, such as home health services, or the request is not specific enough to classify, such as a request for a home health aide), and the plan determines the item or service is not covered under the plan's Medicare benefits, but is fully covered under the plan's Medicaid benefits, then the plan must send a notice informing the plan enrollee of the denial of Medicare coverage and the relevant Medicare appeal rights. The plan must use the IDN to fulfill this requirement ***and use the free text field to explain that the service/item will be covered under the enrollee's Medicaid benefits (in addition to the required explanation related to the Medicare denial).***

Creating Integrated Summary of Benefits Notices: Opportunities for States and Dual Eligible Special Needs Plans

In April 2016, CMS released guidance for Medicare Advantage Organizations, including Fully Integrated Dual Eligible Special Needs Plans (FIDE SNPs) and other D-SNPs providing both Medicare and Medicaid benefits that gives these plans more flexibility in describing the benefits they cover in the Summary of Benefits (SB) document provided to enrollees.

State Medicaid agencies can work with FIDE SNPs and other D-SNPs with which they contract to develop an SB that displays plan-covered Medicare and Medicaid benefits in an integrated fashion. States can work with contracted D-SNPs to adapt this sample or create their own document. States may want to begin that process now in order to ensure that their contracted D-SNPs are prepared when they finalize the SB this summer for Calendar Year 2018.

Within the SB document, plans must describe the Medicaid benefits, if any, they provide, and if the plan is open to Medicare-Medicaid enrollees with differing levels of cost sharing. D-SNPs must include information to clarify how cost-sharing and benefits differ depending on the level of Medicaid eligibility.

The new integrated SB document should result in clearer explanations of overlapping benefits, such as home health and durable medical equipment, as well as Medicare-covered stays in skilled nursing facilities and Medicaid-covered nursing facility care. It also allows, in D-SNPs that only enroll dually eligible individuals that do not pay Medicare cost sharing, a clear explanation of all the services that are provided with $0 copays.

ABOUT THE INTEGRATED CARE RESOURCE CENTER

The ***Integrated Care Resource Center*** is a national initiative of the Centers for Medicare & Medicaid Services to help states improve the quality and cost-effectiveness of care for individuals dually eligible for Medicare and Medicaid. The state technical assistance activities are coordinated by Mathematica Policy Research and the Center for Health Care Strategies. For more information, visit http://www.integratedcareresourcecenter.com.

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