

Spotlight: Changing Definitions of Different D-SNP Types in 2025

Dual Eligible Special Needs Plans (D-SNPs) must hold contracts with state Medicaid agencies, and states can use contractual requirements to better integrate and coordinate care for individuals who are dually eligible for Medicare and Medicaid. Federal rules issued in 2019 defined three different types of D-SNPs: fully integrated D-SNPs (FIDE SNPs), highly integrated D-SNPs (HIDE SNPs), and what is referred to as coordination-only (CO) D-SNPs. That rule also established a definition for “applicable integrated plans” (AIPs) – D-SNPs that operate with [exclusively aligned enrollment](#) and cover at least certain Medicaid benefits. In May 2022, the Centers for Medicare & Medicaid Services (CMS) issued new rules that updated those definitions, some of which go into effect starting in 2025. All such provisions must be included in the state Medicaid agency contract.

2024 Spotlight Series

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To qualify as a FIDE SNP in 2025, in addition to all other applicable D-SNP requirements, a D-SNP must:

- Operate with exclusively aligned enrollment (new in 2025).
- Provide coverage of Medicare and Medicaid benefits under a single legal entity that holds both (1) a Medicare Advantage contract with CMS and (2) a contract with the state Medicaid agency that meets the requirements of a managed care organization as defined in section 1903(m) of the Social Security Act.
 - Beginning in 2025, the service area of the Medicaid managed care contract must cover the entire service area of the D-SNP.
- Cover primary and acute care services and long-term services and supports (LTSS) – including at least 180 days of nursing facility coverage during each plan year. Beginning in 2025, FIDE SNPs must also cover Medicare cost sharing (as defined in section 1905(p)(3)(B), (C) and (D) of the Social Security Act) when such cost sharing is applicable; behavioral health services; home health services; and medical equipment, supplies, and appliances.
- Coordinate Medicare and Medicaid benefits “using aligned care management and specialty care network methods for high-risk beneficiaries” and employ “policies and procedures approved by CMS and the State to coordinate or integrate beneficiary communication materials, enrollment, communications, grievances and appeals, and quality improvement” (42 CFR 422.2).

Additionally, because FIDE SNPs will need to operate with exclusively aligned enrollment starting in 2025 and cover all of the Medicaid benefits described above, **all FIDE SNPs will qualify as AIPs**. That means that all FIDE SNPs will need to comply with the unified plan-level appeal and grievance processes described at 42 CFR 422.107(c)(9), 422.629 through 422.634, 438.210, 438.400, and 438.402.

To qualify as a HIDE SNP, a D-SNP must provide coverage of Medicaid behavioral health benefits, LTSS, or both through a capitated contract with the state Medicaid agency that is executed directly with the D-SNP, with the D-SNP’s parent organization, or with another entity that is owned and controlled by the D-SNP’s parent organization. Beginning in 2025, the

HIDE SNP's capitated contract with the state Medicaid agency (for coverage of the required Medicaid benefits) must cover the entire service area of the D-SNP.

ICRC Resources

ICRC developed a tip sheet that describes the definitions of each type of D-SNP, including the changes in the FIDE SNP and HIDE SNP definitions for 2025. That tip sheet is titled [Definitions of Different Medicare Advantage Dual Eligible Special Needs Plan \(D-SNP\) Types in 2023 and 2025](#).

Next Steps

States that are interested in learning more about how these updated definitions may affect D-SNPs in their state can contact ICRC at ICRC@mathematica-mpr.com.

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