

## CMS Issues CY2025 Medicare Advantage and Part D Program Final Rule

On April 23, 2024, the Centers for Medicare & Medicaid Services (CMS) issued the final, published version of its Contract Year (CY) 2025 Medicare Advantage (MA) and Part D program [Final Rule](#) (CMS-4201-F3 and CMS-4205-F). A [fact sheet](#) summarizing key provisions of the rule was released on April 4 with the public inspection version of the rule. This rule implements (in some cases with modifications) several proposals from the [Notice of Proposed Rulemaking](#) (NPRM) that CMS issued in November 2023.

The final rule includes several provisions that may be of interest to state Medicaid agencies, including the following finalized provisions related to Medicare special enrollment periods (SEPs) for dually eligible individuals and MA dual eligible special needs plans (D-SNPs):

- **Inter-related provisions aimed at increasing the percentage of dually eligible managed care enrollees who receive both Medicare and Medicaid benefits through the same organization (pp. 30675 – 30702)** – the final rule:
  - Replaces the current quarterly special enrollment period (SEP) with a one-time-per-month SEP for dually eligible individuals and others enrolled in the Part D low-income subsidy (LIS) program to elect a standalone Part D plan;
  - Creates a new monthly integrated care SEP to facilitate aligned enrollment in integrated D-SNPs and affiliated Medicaid managed care organizations (MCO) for full-benefit dually eligible individuals;
  - Limits enrollment in certain D-SNPs to those who are also enrolled in an affiliated Medicaid MCO through the same parent company; and
  - Limits the number of D-SNPs that organizations can offer in certain circumstances.
- **Limits on out-of-network cost sharing for D-SNP preferred provider organizations (PPOs)** – The final rule limits out-of-network cost sharing for D-SNP PPOs for specific services, starting in 2026, to reduce cost shifting to Medicaid, increase payments to safety net providers, expand dually eligible enrollees' access to providers, and protect dually eligible enrollees from unaffordable costs (pp. 30722 – 30725).
- **Lowering the threshold for D-SNP “look-alikes”** – The final rule lowers the threshold for identifying a D-SNP look-alike. Currently, CMS identifies D-SNP look-alikes as non-special needs plan (SNP) MA plans in which 80 percent or more of the plan's enrollees are dually eligible. The final rule decreases this threshold to 60 percent over a two-year period. (pp. 30706 – 30722)

The final rule also:

- Updates the regulatory language at 42 CFR 422.2267(e)(31) and 423.2267(e)(33) regarding the **multi-language insert** to better align with the Medicaid translation requirements at § 438.10(d)(2) by requiring that a **Notice of Availability** of language assistance services and auxiliary aids and services be provided based on the languages most commonly spoken in the *state or states* associated with the plan service area rather than *nationally*. This will allow the notice to more accurately reflect the languages spoken by beneficiaries in the service area and make it
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easier for applicable integrated plans (AIPs) to provide clear, concise information about available supports while complying with both sets of federal requirements. (pp. 30528 – 30534)

- Expands the permissible uses of MA encounter data to **enable CMS to share MA encounter data with state Medicaid agencies to support the Medicaid program** for program administration and evaluations and analysis, **including sharing MA encounter data with states prior to reconciliation for care coordination** of dually eligible individuals. (pp. 30534 – 30542)
- Codifies policy regarding MA plan notices prior to **involuntary disenrollment for loss of special needs status** (pp. 30573 – 30574)
- Codifies policies regarding **Model of Care (MOC) scoring and approval** for MA (SNPs), including D-SNPs. (pp. 30653 – 30660)
- Codifies policy that **to be eligible for a D-SNP, an individual must meet any additional eligibility requirements established in the state Medicaid agency contract (SMAC)**. (pp. 30705 – 30706)

Other provisions that may be of interest to some states include new rules regarding MA supplemental benefits (pp. 30551 – 30565, and pp. 30607 – 30617), new guardrails for MA and Part D plan agent and broker compensation (pp. 30617 – 30627), and the addition of a new outpatient behavioral health specialty provider type to MA network adequacy standards that includes marriage and family therapists and mental health counselors who are now able to bill under Original Medicare (per section 4121 of the Consolidated Appropriations Act of 2023, P.L. 117-328), as well as addiction medicine clinicians, opioid treatment providers, and other behavioral health practitioners providing psychotherapy or medication for substance use disorders (pp. 30488 – 30495).

CMS also summarizes many of the comments that it received, with responses, regarding its solicitation of comments about: (1) potential updates to the Medicare Plan Finder tool (pp. 30702 – 30703), and (2) state enrollment vendor involvement in integrated D-SNP enrollment (pp. 30703 – 30705).

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