

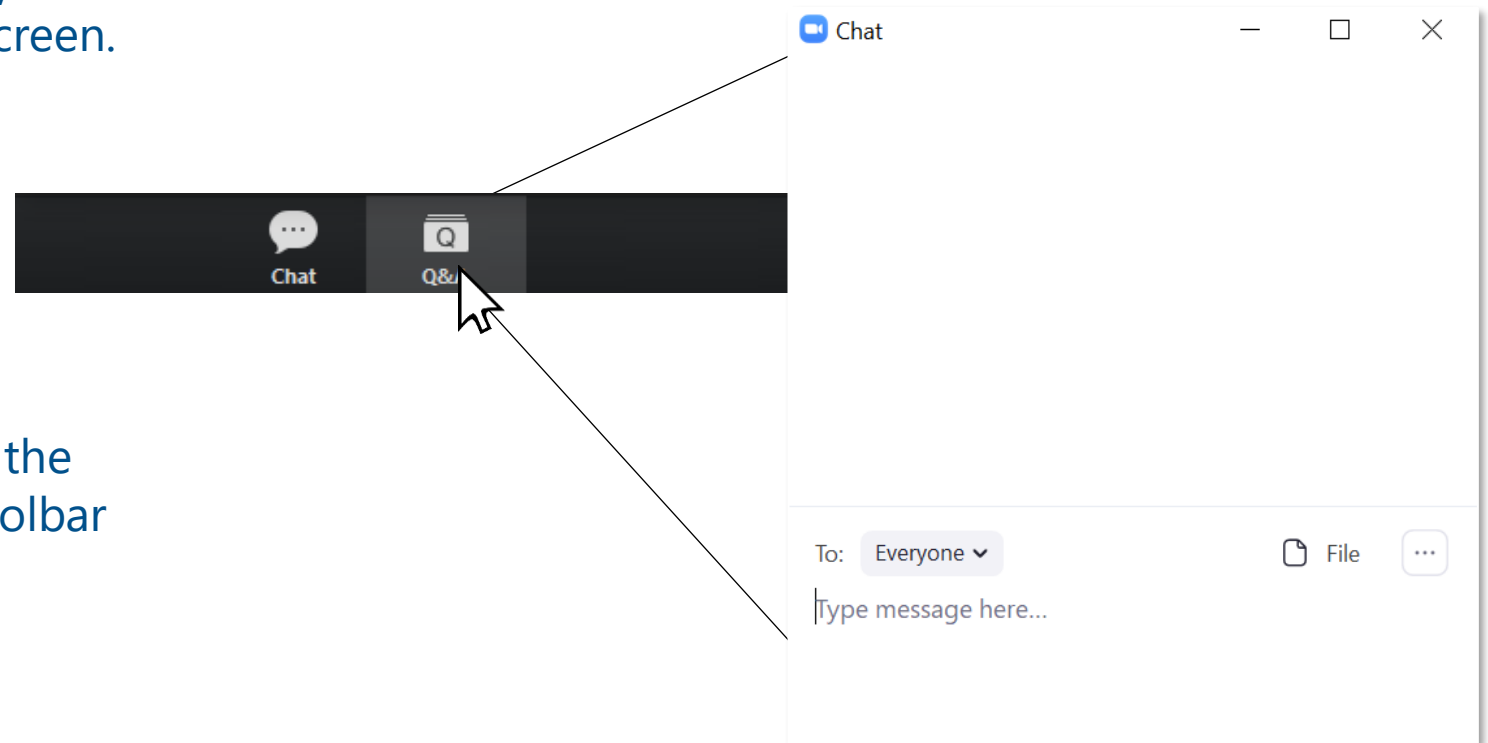
D-SNP-Only Contracts

Benefits and Key Steps for States

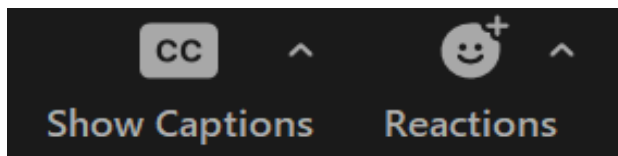
March 19, 2024
1:00-2:00pm ET

Logistics

To ask a question or share a comment, use the Q&A icon at the bottom of your screen.



To enable closed captioning, click on the "Show Captions" icon in the Zoom toolbar at the bottom of your screen.



Agenda

- Refresher on Exclusively Aligned Enrollment (EAE)
- Overview of D-SNP-only Contracting Flexibility at 42 CFR 422.107(e)
- Benefits of D-SNP-only Contracting for States, D-SNPs, and D-SNP Enrollees
- Steps for Implementing D-SNP-only Contracts

Presenters



Nida Joseph

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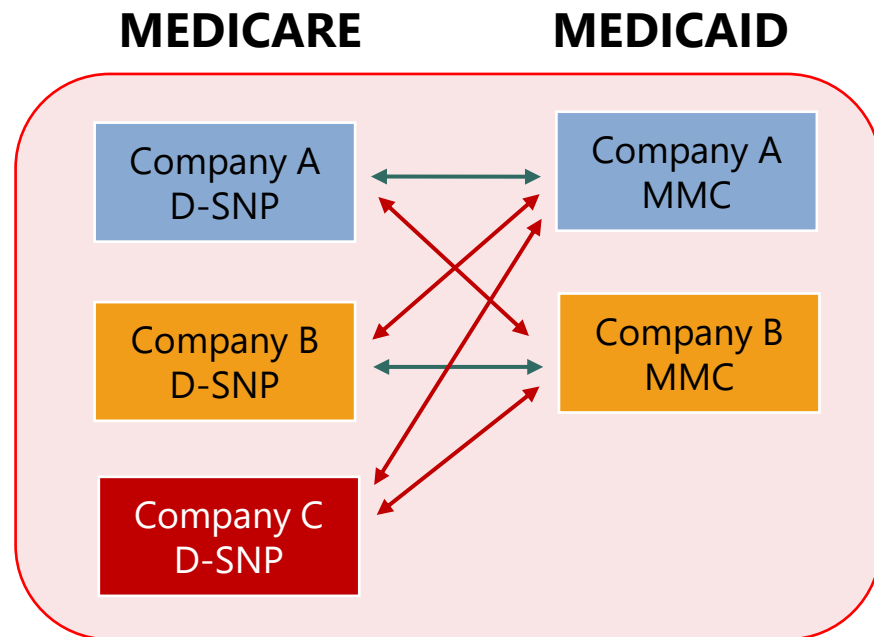
Molly Knowles

Senior Program Officer, Center for Health Care Strategies

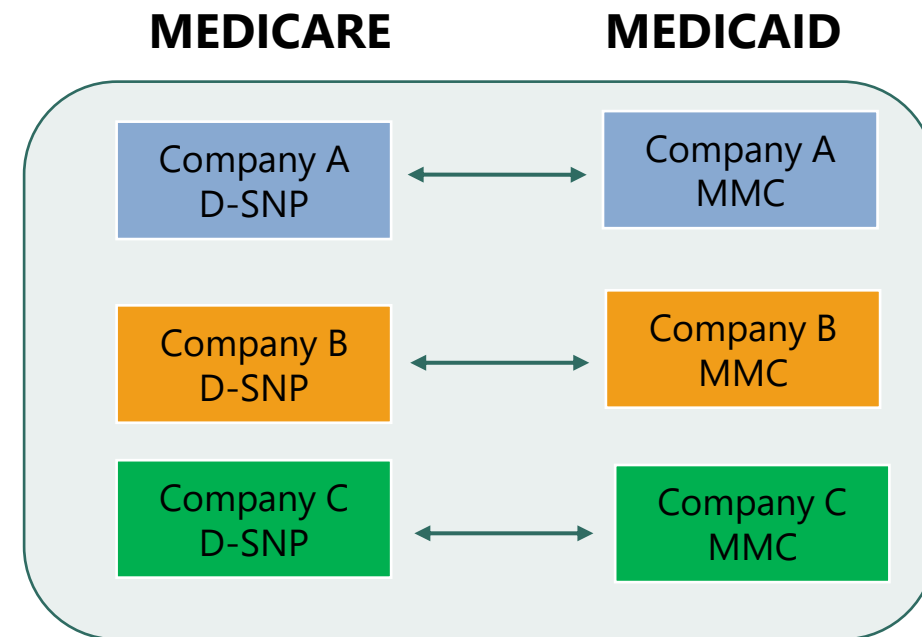
Refresher on Exclusively Aligned Enrollment (EAE)

What Is Aligned Enrollment?

Aligned enrollment occurs when a dually eligible individual is enrolled in a D-SNP and a Medicaid managed care (MMC) plan offered by the **same parent company** in the same geographic area.



Aligned and Unaligned Enrollees



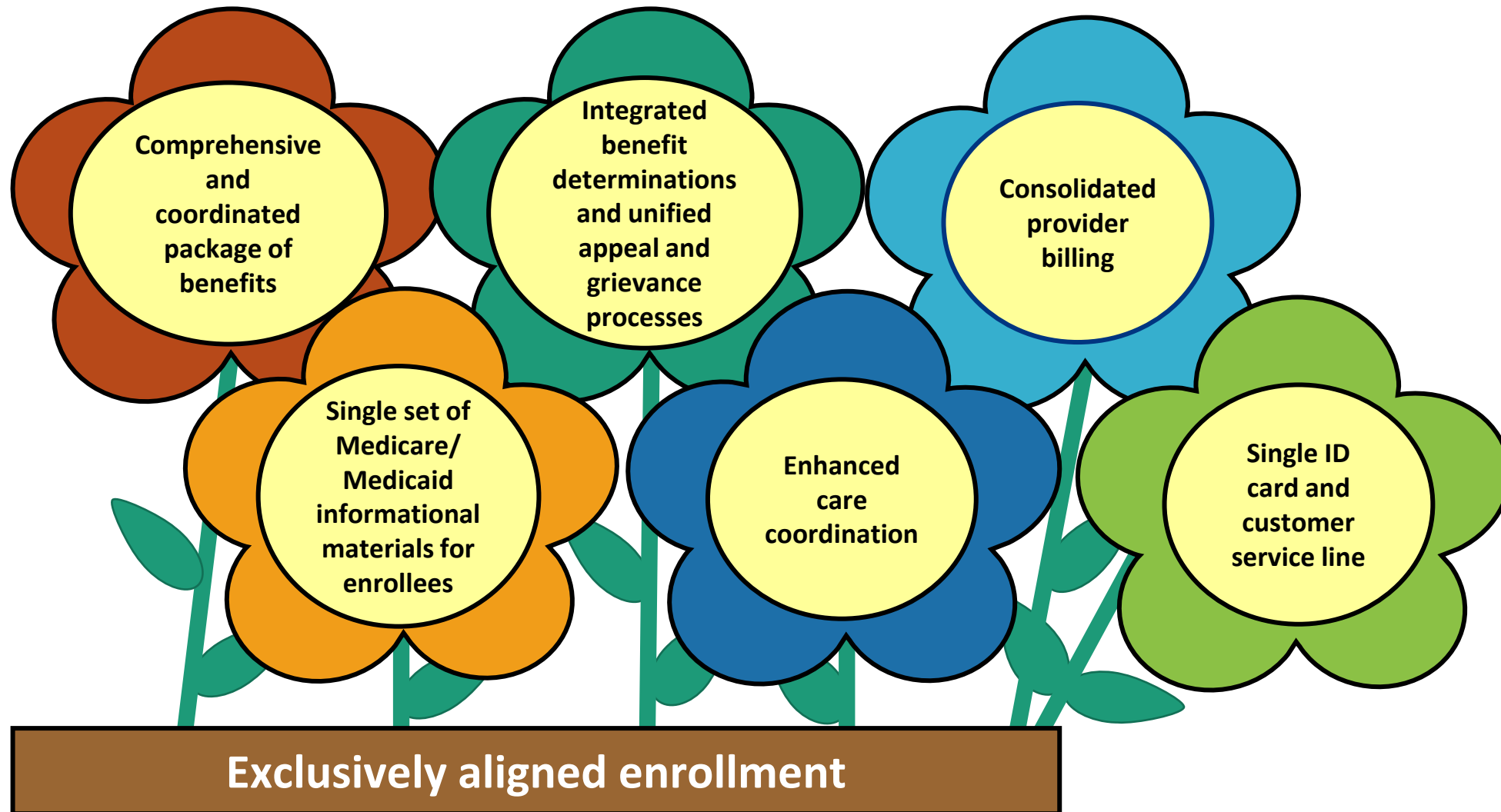
All Aligned Enrollees

For more information, see: E. Weir Lakhmani and A. Kruse. "Tips to Improve Medicare-Medicaid Integration Using D-SNPs: Promoting Aligned Enrollment." ICRC, April 2018. Available at: https://www.integratedcareresourcecenter.com/PDFs/ICRC_DSNP_Aligning_Enrollment.pdf

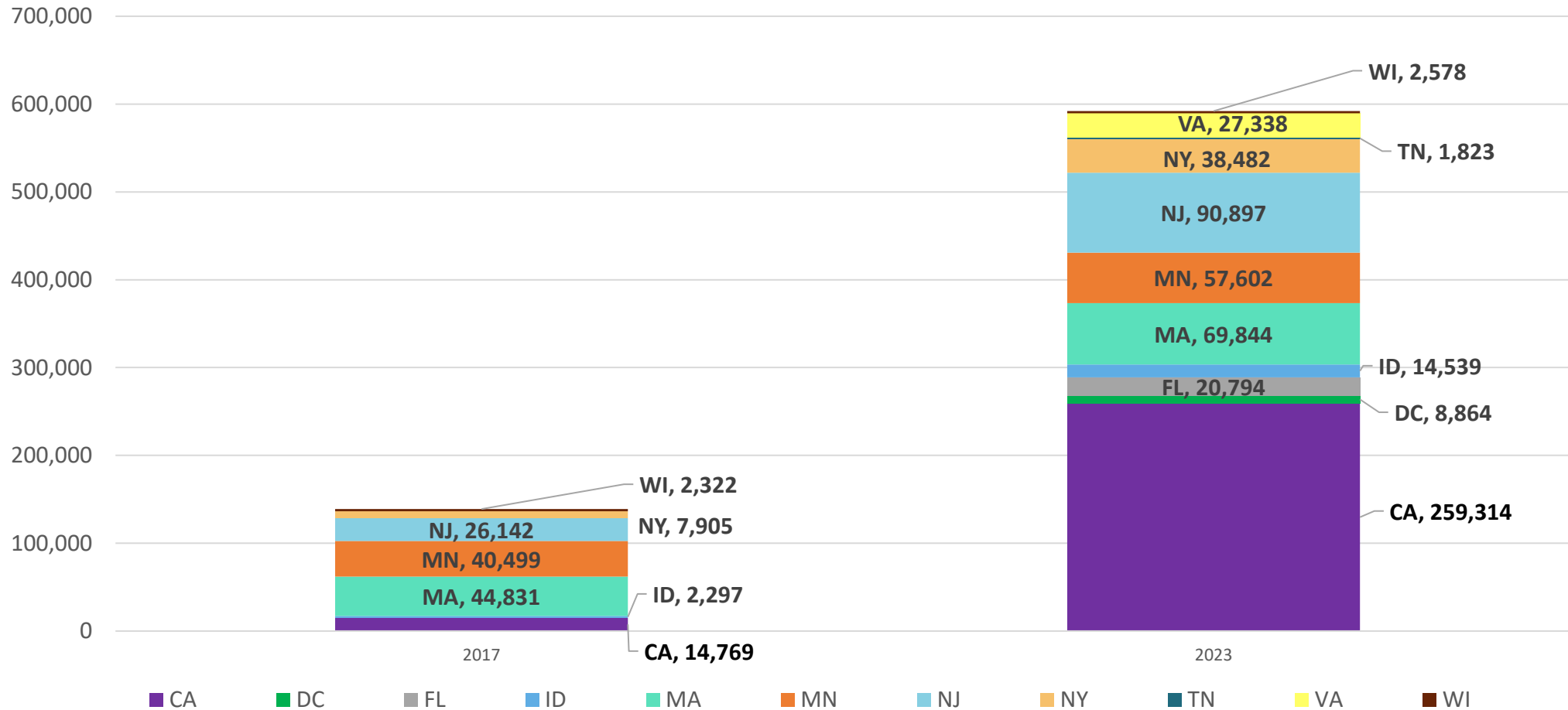
Exclusively Aligned Enrollment (EAE)

- EAE occurs when the state contract limits enrollment in the D-SNP to **full-benefit dually eligible individuals who receive their Medicaid benefits from the D-SNP or an affiliated Medicaid managed care plan** offered by the same parent company as the D-SNP.
- EAE facilitates use of several strategies to integrate coverage and navigation of Medicare and Medicaid benefits, such as fully integrated enrollee materials, single ID cards, and unified appeal and grievance processes.

EAE Benefits for Enrollees and Providers



Exclusively Aligned Enrollment by State, 2017 vs. 2023



Sources: Plans operating with exclusively aligned enrollment identified via ICRC data collection from 2017 and 2023; enrollment data from CMS SNP Comprehensive Reports, July 2017 and July 2023, available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MCRAdvPartDenrolData/Special-Needs-Plan-SNP-Data>

Policy Update at 42 CFR 422.107(e)

- The Contract Year 2023 Policy and Technical Changes to the Medicare Advantage and Medicare Prescription Drug Benefit Programs Rule (CY2023 Rule) **codified a new pathway at 42 CFR 422.107(e)** through which states can use state Medicaid agency contracts (SMACs) with D-SNPs to require D-SNPs that operate with exclusively aligned enrollment to:
 - Establish (and operate within) contracts with CMS that *only include* one or more D-SNPs within a state ("**D-SNP-only contracts**"), and
 - **Integrate certain materials** and notices for D-SNP enrollees.
- States have started to use this flexibility in their 2024 contracts.

Notes:

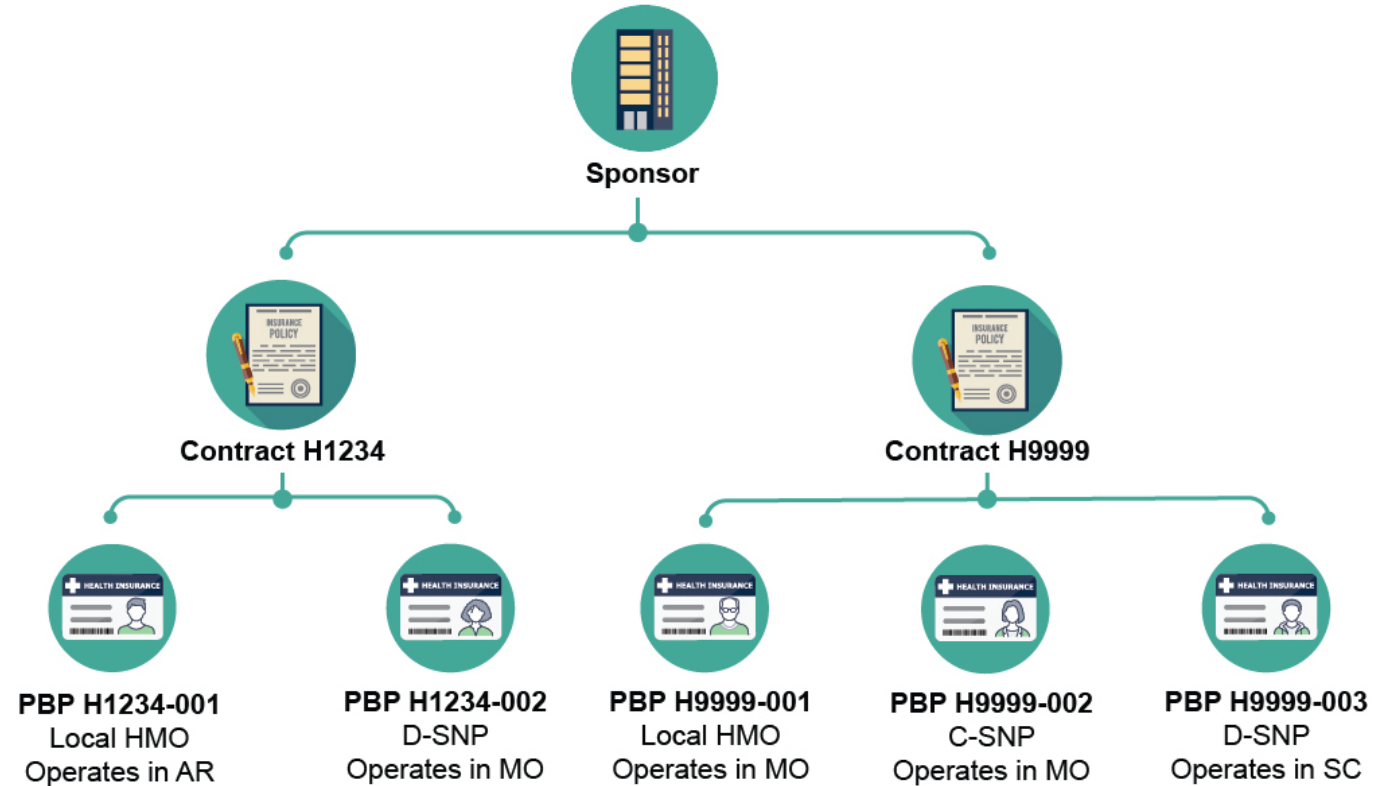
CMS guidance for states regarding the benefits, considerations, and steps for states interested in pursuing this opportunity is available at: <https://www.cms.gov/files/document/stateopsintegratedcareprogs.pdf>

The CY2023 rule is available for review at: <https://www.federalregister.gov/documents/2022/05/09/2022-09375/medicare-program-contract-year-2023-policy-and-technical-changes-to-the-medicare-advantage-and>

Benefits of D-SNP-Only Contracting

Medicare Advantage Plan, Contract, and Sponsor Levels

- Contracts can contain D-SNPs and non-D-SNP Medicare Advantage plan benefit packages (PBPs).
- Contracts can contain PBPs that operate in multiple states.



Benefits for States



D-SNP-specific quality measures and Medicare Advantage (MA) Star Ratings



State access to the CMS Health Plan Management System (HPMS)



Customized Model of Care



Health care spending transparency

Benefits for States: D-SNP-specific Quality Measures and MA Star Ratings

- Most quality measures, as well as Medicare Advantage Star Ratings, are calculated at the contract level.
- D-SNP-only contracting enables reporting of quality measures and calculation of Medicare Advantage Star Ratings specific to each D-SNP-only contract within a particular state.



Benefits for States: State Access to HPMS

- States with D-SNP-only contracts can access HPMS—the system CMS uses to facilitate data collection and reporting activities with Medicare Advantage and Part D programs.
- Improves coordination between the state and CMS on monitoring and oversight of D-SNPs and provides the state with access to shared materials in HPMS.
- States can use CMS' system of record to review integrated materials, Models of Care, and other information.



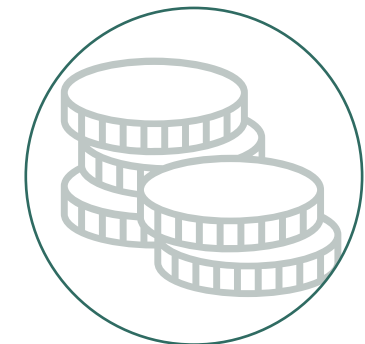
Benefits for States: Customized Model of Care

- Models of Care are developed at the contract level, rather than the PBP (plan) level.
- Because D-SNP-only contracts are state specific, states can include provisions in their SMACs to require D-SNPs to ensure their Models of Care accurately reflect the full scope of care coordination between Medicare and the state's Medicaid services.
- D-SNP-only contracts can allow states to conduct simultaneous reviews of the Model of Care with NCQA.



Benefits for States: Health Care Spending Transparency

- Medical loss ratios are calculated at the contract level.
- D-SNP-only contracting provides transparency on health care spending because the D-SNP-only contract's medical loss ratio will be specific to the dually eligible D-SNP enrollees included in the contract.



Benefits for D-SNP Enrollees and Prospective Enrollees



D-SNPs that operate with EAE within D-SNP-only contracts must use **integrated versions** of certain materials, which are designed to make it easier for D-SNP enrollees to **understand their benefits**.

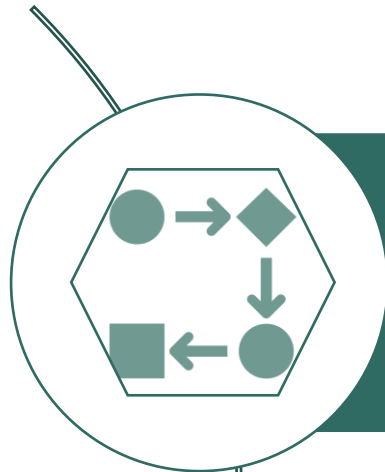


Since D-SNP only contracts are state-specific, the **Model of Care** can more easily be customized to accurately reflect the full scope of care coordination between Medicare and Medicaid services.



D-SNP-only contracting improves prospective and current enrollees' ability to make **educated enrollment decisions**, as Medicare Advantage Star Ratings will reflect the performance of the D-SNPs within the D-SNP-only contracts in their states.

Benefits for D-SNPs



Administrative and logistical burdens for D-SNPs due to duplication in oversight processes may be reduced when states and CMS use joint, streamlined approaches to CMS and state oversight for D-SNP-only contracts.



Coordination of CMS and state Model of Care reviews could reduce the need for off-cycle review processes to incorporate state-specific requirements into models of care.

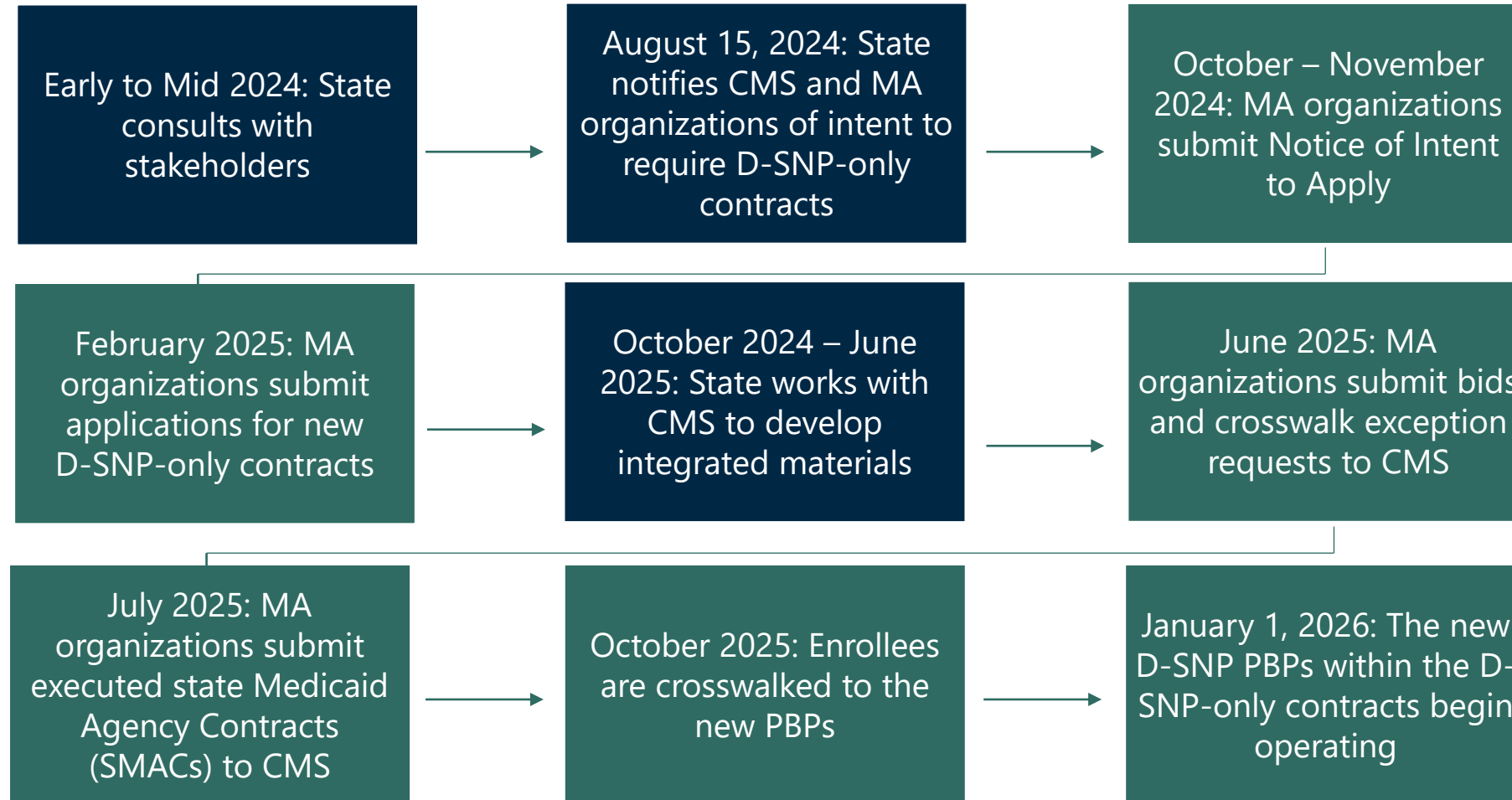
Steps for Implementing D-SNP-only Contracts

Minimum Conditions for Implementation

Per 42 CFR 422.107(e), states can request D-SNP-only contracts if the following occur in the state:

- The state has D-SNPs that operate with EAE or will be required to operate with EAE in the same contract year as the D-SNP-only contracts are implemented
- The state agrees to require D-SNPs operating with EAE to use integrated versions of at least the following required materials:
 - Summary of Benefits, List of Covered Drugs (Formulary), and combined Provider and Pharmacy Directory

High-Level Timeline for 2026 Implementation



Source: Medicare-Medicaid Coordination Office. August 25, 2022. Guidance for States Seeking to Leverage New Opportunities for Integrated Care Programs. Available at: <https://www.cms.gov/files/document/stateoppsintegratedcareprogs.pdf>.

Key Steps for States: Spring-Summer 2024

- Engage interested parties (for example, D-SNPs, dually eligible individuals and/or organizations that serve them) to solicit feedback on state's intended approach to implementing D-SNP-only contracts
- Discuss interest with CMS
- Formally notify CMS and D-SNPs of the state's intent to require D-SNP-only contracts
 - States should notify CMS by **August 15, 2024** for implementation by January 2026

Key Steps for States: Fall 2024-Winter 2025

- Convey any state-specific Model of Care requirements (as applicable) to affected D-SNPs for incorporation into the new D-SNP-only contract's Model of Care
 - States should inform D-SNPs of any state MOC requirements by Fall 2024, so the D-SNPs have time to incorporate them into their MOCs before submitting to CMS in February 2025
- Begin working with CMS to develop integrated versions of required materials starting October 2024

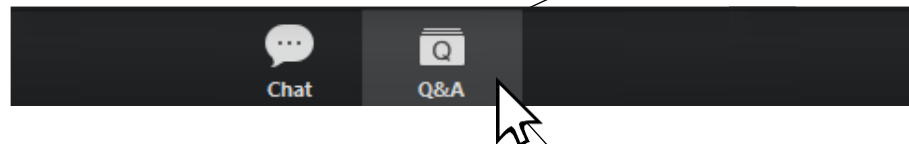
Key Steps for D-SNPs

- Submit notices of intent to apply (**Oct/Nov 2024**) and new CMS application (**Feb 2025**) for D-SNP-only contracts
- Develop integrated Summary of Benefits, List of Covered Drugs, and combined Provider and Pharmacy Directory based on templates provided to D-SNPs in **late May/early June 2025**
- Submit crosswalk exception requests when appropriate to move current D-SNP enrollees into new D-SNP PBPs in **June 2025** (42 CFR 422.530)
- Submit executed SMACs to CMS in **July 2025** including provisions described at § 422.107(e)(1)
- Send annual notices of change to affected enrollees explaining their move to the new D-SNP PBP by **August 15, 2025**
- Send new plan materials (Explanation of Coverage, Formulary, Member ID card, and Provider and Pharmacy Directory) by **September 30, 2025**

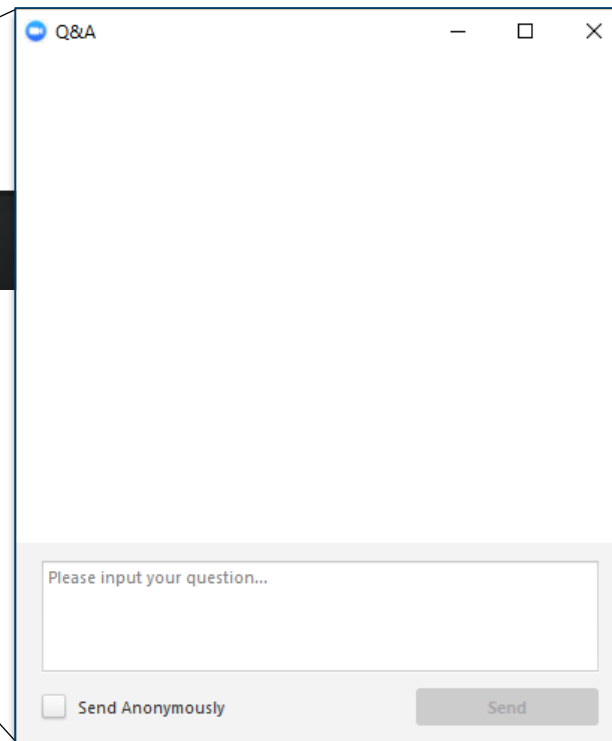
Q&A/Discussion

Questions?

To submit a question online, please click the Q&A icon located at the bottom of the screen.



Answers to questions that cannot be addressed due to time constraints will be shared after the webinar.

A screenshot of a web browser window titled 'Q&A'. The window has a white background and a light gray border. At the bottom, there is a text input field with the placeholder text 'Please input your question...'. Below the input field, there is a checkbox labeled 'Send Anonymously' and a 'Send' button.

Questions for Discussion

Opportunities and Challenges with D-SNP-only Contracts

- What are the **key opportunities** available and **areas of concern** for states as they move forward with requesting D-SNP-only contracts?

Implementing D-SNP-only Contracts

- What **forms of support** are states looking for implementing D-SNP-only contracts?

About ICRC

- Established by CMS to advance integrated care models for dually eligible individuals.
- ICRC provides technical assistance (TA) to states, coordinated by Mathematica and the Center for Health Care Strategies.
- Visit <http://www.integratedcareresourcecenter.com> to submit a TA request and/or download resources, including briefs and practical tools to help address implementation, design, and policy challenges.
- Send other ICRC questions to: integratedcareresourcecenter@chcs.org.

Appendices

Levels of Integration of D-SNPs

CO D-SNPs

- **Coordination-Only D-SNPs**

- Must meet minimum CMS requirements for D-SNPs.
- Must notify the state Medicaid agency or its designee of hospital and skilled nursing facility admissions for at least one designated group of “high-risk,” full-benefit dually eligible (FBDE) enrollees.

HIDE SNPs

- **Highly Integrated D-SNPs**

- Must cover Medicaid behavioral health benefits, long-term services and supports (LTSS), or both.
- Contract for coverage of Medicaid benefits may be with the D-SNP, the D-SNP’s parent company, or another entity owned and controlled by the D-SNP’s parent company.
- In 2025, a HIDE SNP’s capitated contract with the state Medicaid agency must cover the entire service area of the D-SNP.

FIDE SNPs

- **Fully Integrated D-SNPs**

- Must cover Medicaid primary and acute care services and LTSS, including at least 180 days of nursing facility coverage.
- Must use specialized care management and network methods to coordinate care for high-risk beneficiaries
- Entity contracted to cover Medicaid benefits must be the same legal entity that holds the D-SNP contract with CMS
- In 2025, must operate with exclusively aligned enrollment and cover additional Medicaid benefits, and FIDE SNP’s capitated contract with the state Medicaid agency must also cover the entire service area of the D-SNP.