

# Sample Language for State Medicaid Agency Contracts with Dual Eligible Special Needs Plans (D-SNPs): Cost Sharing Protections for D-SNP Enrollees

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Dual Eligible Special Needs Plans (D-SNPs) are a type of Medicare Advantage plan that only enroll dually eligible individuals. D-SNPs differ from other types of Medicare Advantage plans in important ways and vary in the level of Medicaid and Medicare integration they offer for dually eligible individuals. All D-SNPs are required to hold contracts with the state Medicaid agency in each state where they operate, and those contracts must contain at least certain minimum elements. For information about all of the minimum elements that must be present in D-SNPs' State Medicaid Agency Contracts (SMACs), see the first tool in this series: [Sample Language for State Medicaid Agency Contracts with Dual Eligible Special Needs Plans: Requirements for All D-SNPs](#).

**This tool provides sample contract language that states can use to address the minimum required SMAC element described at 42 CFR 422.107(c)(4) – the cost-sharing protections covered under the D-SNP.** This contractual element requires that D-SNPs and their network providers refrain from imposing cost sharing on specific groups of dually eligible individuals that exceed the amounts permitted under the Medicaid state plan.

Three considerations are especially relevant when developing SMAC language about cost-sharing protections for D-SNP enrollees:

- Whether the state **restricts D-SNP enrollment to only full-benefit dually eligible (FBDE) individuals or to FBDE individuals and Qualified Medicare Beneficiaries (QMBs)**, or whether the state allows D-SNPs to enroll non-QMB partial-benefit dually eligible individuals, such as individuals with only Specified Low-Income Medicare Beneficiary (SLMB), Qualifying Individual (QI), and/or Qualified Disabled and Working Individual (QDWI) Medicare Savings Program benefits;<sup>1</sup>

## ABOUT THIS TOOL

This technical assistance tool is part of [a series of tools](#) that provide sample State Medicaid Agency Contract (SMAC) language that states can use in contracts with D-SNPs to meet federal requirements and advance state goals regarding care coordination, eligibility and enrollment, data reporting, marketing and enrollee communications, or other requirements regarding D-SNP activities.

This tool provides sample language designed to help states comply with the minimum federal requirements for SMAC language regarding the cost sharing protections afforded to D-SNP enrollees. All of the technical assistance tools in this series are available [on the ICRC website](#). Use of sample language contained in this tool does not guarantee that CMS will approve a D-SNP's bid to operate in a particular state or geographic area.

<sup>1</sup> For information about categories of dual eligibility, see the Centers for Medicare & Medicaid Services (CMS) document, "Dually Eligible Individuals – Categories" at: <https://www.cms.gov/medicare-medicare-coordination/medicare-and-medicare-coordination/medicare-medicare-coordination-office/downloads/medicaremedicaidenrolleecategories.pdf>.

- Whether the state **allows the population(s) who are eligible for D-SNP enrollment to be charged nominal Medicaid copayments for any services covered under the Medicaid state plan;**<sup>2</sup> and
- Whether the state **covers all Medicare cost sharing for SLMB+ and Other Full-Benefit Dually Eligible (FBDE) individuals as a Medicaid state plan benefit** (see [Appendix A](#)).

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To view sample SMAC language that applies to your state, click on one of the hyperlinks below to be automatically directed to the appropriate section of the tool.

### Sample language for states that only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals

- [Section 1A](#): Sample language for states that: (1) only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals, (2) **do not** allow populations eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do** cover all Medicare cost sharing for non-QMB FBDE individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit
- [Section 1B](#): Sample language for states that: (1) only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals, (2) **do not** allow populations eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do not** cover all Medicare cost sharing for non-QMB FBDE individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit
- [Section 1C](#): Sample language for states that: (1) only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals, (2) **do** allow populations eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do** cover all Medicare cost sharing for non-QMB FBDE individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit
- [Section 1D](#): Sample language for states that: (1) only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals, (2) **do** allow populations eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do not** cover all Medicare cost sharing for non-QMB FBDE individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit

### Sample language for states that allow D-SNPs to enroll non-QMB partial-benefit dually eligible individuals (SLMB, QI, and/or QDWI individuals)

- [Section 2A](#): Sample language for states that: (1) allow D-SNPs to enroll SLMB, QI and/or QDWI individuals, (2) **do not** allow populations eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do** cover all Medicare cost sharing for non-QMB FBDE individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit

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<sup>2</sup> If a state with nominal Medicaid copayments that would apply to D-SNP enrollees pays a capitated payment to D-SNPs or Medicaid managed care plans to cover Medicare cost sharing, the state can require the capitated plans to waive those nominal Medicaid copayments. States opting to require such a waiver should indicate the requirement within the SMAC and reference the sample language examples in this tool for states without Medicaid copayments.

- **Section 2B:** Sample language for states that: (1) allow D-SNPs to enroll SLMB, QI and/or QDWI individuals, (2) **do not** allow populations eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do not** cover all Medicare cost sharing for non-QMB FBDE individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit
- **Section 2C:** Sample language for states that: (1) allow D-SNPs to enroll SLMB, QI and/or QDWI individuals, (2) **do** allow populations eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do** cover all Medicare cost sharing for non-QMB FBDE individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit
- **Section 2D:** Sample language for states that: (1) allow D-SNPs to enroll SLMB, QI and/or QDWI individuals, (2) **do** allow populations eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do not** cover all Medicare cost sharing for non-QMB FBDE individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit

## 1 Sample language for states that only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals

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### 1.A. Sample contract language for states that: (1) only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals, (2) **do not** allow the population(s) eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do** cover all Medicare cost sharing for non-QMB full-benefit dually eligible individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit:

*[Contractor] will only enroll [list applicable populations: QMB, QMB+, SLMB+ and/or Other Full-Benefit Dually Eligible (FBDE) individuals], as stated in [reference to section of the contract listing categories of dually eligible individuals eligible to enroll in the D-SNP]. Additionally, [State] does not allow for any nominal Medicaid copayments to be charged to the population(s) eligible for enrollment in [Contractor]’s D-SNP under its Medicaid state plan. Therefore, per Sections 1902(n)(3)(B) and section 1852(a)(7) of the Social Security Act and 42 CFR 422.504(g)(1)(iii), [Contractor] may not charge any of its D-SNP enrollees any cost sharing for any Medicare A or B service rendered by one of [Contractor]’s network providers.*

*[Contractor]’s materials shall make clear that:*

- *None of [Contractor]’s D-SNP enrollees will owe any cost-sharing amounts for any Medicare A and B services covered by the D-SNP and rendered by a provider in [Contractor]’s network.*
- *[For PPO and HMO-POS plans only] SLMB+ and Other FBDE individuals may be charged cost sharing amounts if they see a provider under the D-SNP’s out-of-network benefit who is not a registered Medicaid provider in [State].*

*[Contractor]’s provider agreements shall specify that contracted providers agree to accept [Contractor]’s Medicare reimbursement as payment in full for services rendered to [Contractor]’s D-SNP enrollees or to bill [applicable payer(s) – State, D-SNP Contractor, or Medicaid managed care organizations] as applicable for any additional Medicare cost sharing payments that may be reimbursable by*

Medicaid. [Contractor]'s provider agreements will further specify that [Contractor]'s network providers will refrain from collecting any cost sharing from [Contractor]'s enrollees.

**1.B. Sample contract language for states that: (1) only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals, (2) do not allow the population(s) eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) do not cover all Medicare cost sharing for non-QMB full-benefit dually eligible individuals (SLMB+ and "Other FBDE" individuals) as a state plan benefit:**

[Contractor] will only enroll [list applicable populations: QMB, QMB+, SLMB+ and/or Other Full-Benefit Dually Eligible (FBDE) individuals], as stated in [reference to section of the contract listing categories of dually eligible individuals eligible to enroll in the D-SNP]. Additionally, [State] does not allow for any nominal Medicaid copayments to be charged to the population(s) eligible for enrollment in [Contractor]'s D-SNP under its Medicaid state plan. Therefore, per Sections 1902(n)(3)(B) and section 1852(a)(7) of the Social Security Act and 42 CFR 422.504(g)(1)(iii), [Contractor] may not charge any D-SNP enrollees any cost sharing for any Medicare A or B service rendered by one of [Contractor]'s network providers, except in the rare case of Medicare A or B services that are not covered under [State]'s Medicaid state plan or a [State] Medicaid waiver, wherein SLMB+ and Other FBDE enrollees in [Contractor]'s D-SNP may be charged the full Medicare cost-sharing amount(s) specified within the D-SNP's plan benefit package.

[Contractor]'s materials shall make clear that:

- None of [Contractor]'s D-SNP enrollees will owe any Medicare cost-sharing amounts for any Medicare A and B services that are: (1) also covered under [State]'s Medicaid state plan or a [State] Medicaid waiver, and (2) rendered by a provider in [Contractor]'s network.
- QMB and QMB+ enrollees will not owe any Medicare cost-sharing amounts for any Medicare A or B services rendered by a provider in [Contractor]'s network or an out-of-network provider enrolled in Medicare.
- [For PPO and HMO-POS plans only] SLMB+ and Other FBDE enrollees may be charged cost-sharing amounts if they: (1) see a provider who is not part of the [Contractor]'s D-SNP network or a registered Medicaid provider in [State], and/or (2) obtain services that are not covered under [State]'s state plan or a [State] Medicaid waiver.

[Contractor]'s provider agreements shall specify that:

- For services rendered to [Contractor]'s QMB and QMB+ enrollees, contracted providers will: (1) accept [Contractor]'s Medicare reimbursement as payment in full or bill [applicable payer(s) – State, D-SNP Contractor, or Medicaid managed care organizations] as applicable for any additional Medicare cost-sharing payments that may be reimbursable by Medicaid, and (2) refrain from collecting any cost sharing from the QMB or QMB+ enrollees.
- For services rendered to [Contractor]'s SLMB+ and Other FBDE enrollees, contracted providers will: (1) accept [Contractor]'s Medicare reimbursement as payment in full or bill [applicable payer(s) – State, D-SNP Contractor, or Medicaid managed care organizations] for services that are covered under [State]'s Medicaid state plan or a [State] Medicaid waiver, and (2) refrain from collecting cost sharing from SLMB+ and Other FBDE enrollees for those services.

**1.C. Sample contract language for states that: (1) only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals, (2) do allow the population(s) eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) do cover all Medicare cost sharing for non-QMB full-benefit dually eligible individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit:**

*[Contractor] may only enroll [list applicable populations: QMB, QMB+, SLMB+ and/or Other Full-Benefit Dually Eligible (FBDE) individuals], as stated in [reference to section of the contract listing categories of dually eligible individuals eligible to enroll in the D-SNP]. Per Sections 1902(n)(3)(B) and section 1852(a)(7) of the Social Security Act and 42 CFR 422.504(g)(1)(iii), for any Medicare A or B service rendered by one of [Contractor]’s network providers, [Contractor] and its network providers may not charge enrollees any cost-sharing amounts that would exceed the nominal Medicaid copayment amounts specified in [State]’s Medicaid state plan. Applicable nominal Medicaid copayment amounts are described in [reference to section or appendix in SMAC that lists the nominal Medicaid copayment amounts allowed under the state’s Medicaid state plan for the population(s) eligible for enrollment in the D-SNP, as well as the specific services to which those nominal Medicaid copayment amounts pertain].*

*[Contractor]’s materials shall make clear that:*

- *The only cost-sharing amounts for which D-SNP enrollees may be liable for any Medicare A and B services covered by the D-SNP and rendered by a provider in [Contractor]’s network are nominal Medicaid copayments (with applicable nominal Medicaid copayments specified for relevant services).*
- *[For PPO and HMO-POS plans only] SLMB+ and Other FBDE individuals may be charged cost-sharing amounts if they see a provider who is not part of the [Contractor]’s D-SNP network or a registered Medicaid provider in [State].*

*[Contractor]’s provider agreements shall include a detailed list of all services for which nominal Medicaid copayments may be imposed and the applicable copayment for each listed service. [Contractor]’s provider agreements shall also specify that:*

- *Contracted providers will refrain from charging any of [Contractor]’s enrollees more than the provided nominal Medicaid copayment amounts for the services for which such copayments may be charged.*
- *For services for which nominal Medicaid copayments may not be charged, contracted providers will: (1) accept [Contractor]’s Medicare reimbursement as payment in full or bill [applicable payer(s) – State, D-SNP Contractor, or Medicaid managed care organizations] as applicable for any additional Medicare cost sharing payments that may be reimbursable by Medicaid, and (2) refrain from collecting any cost sharing from [Contractor]’s D-SNP enrollees.*



**1.D. Sample contract language for states that: (1) only allow D-SNPs to enroll FBDE individuals or FBDE and QMB individuals, (2) do allow the population(s) eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) do not cover all Medicare cost sharing for non-QMB full-benefit dually eligible individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit:**

*[Contractor] may only enroll [list applicable populations: QMB, QMB+, SLMB+ and/or Other Full-Benefit Dually Eligible (FBDE) individuals], as stated in [reference to section of the contract listing categories of dually eligible individuals eligible to enroll in the D-SNP]. Per Sections 1902(n)(3)(B) and section 1852(a)(7) of the Social Security Act and 42 CFR 422.504(g)(1)(iii), for any Medicare A or B service rendered by one of [Contractor]’s network providers, [Contractor] and its network providers may not charge enrollees any cost-sharing amounts that would exceed the nominal Medicaid copayment amounts specified in [State]’s Medicaid state plan, except in the rare case of Medicare A or B services that are not covered under [State]’s Medicaid state plan or a [State] Medicaid waiver, wherein SLMB+ and Other FBDE enrollees in [Contractor]’s D-SNP may be charged the full Medicare cost sharing amount(s) specified within the D-SNP’s plan benefit package. Applicable nominal Medicaid copayment amounts are described in [reference to section or appendix in SMAC that lists the nominal Medicaid copayment amounts allowed under the state’s Medicaid state plan for the population(s) eligible for enrollment in the D-SNP, as well as the specific services to which those nominal Medicaid copayment amounts pertain].*

*[Contractor]’s materials shall make clear that:*

- *The only cost-sharing amounts for which D-SNP enrollees may be liable for any Medicare A and B services covered by the D-SNP and rendered by a provider in [Contractor]’s network are nominal Medicaid copayments (with applicable nominal Medicaid copayments specified for relevant services), as long as the services are also covered under [State]’s Medicaid state plan or a [State] Medicaid waiver.*
- *[For PPO and HMO-POS plans only] SLMB+ and Other FBDE enrollees may be charged cost-sharing amounts if they: (1) see a provider who is not part of the [Contractor]’s D-SNP network or a registered Medicaid provider in [State], and/or (2) obtain services that are not covered under [State]’s state plan or a [State] Medicaid waiver.*

*[Contractor]’s materials shall also clearly indicate for each covered service: (1) whether the service is also covered by the [State]’s Medicaid state plan or a [State] Medicaid waiver, and (2) whether any nominal Medicaid copayments apply to the service.*

*[Contractor]’s provider agreements shall include a detailed list of all services for which nominal Medicaid copayments may be imposed and the applicable copayment for each listed service. [Contractor]’s provider agreements shall also specify the following:*

- *Contracted providers will refrain from charging any of [Contractor]’s enrollees any more than the provided nominal Medicaid copayment amounts for the services for which such copayments may be charged.*
- *For services for which nominal Medicaid copayments may not be charged and the [State] provides coverage under the Medicaid state plan or a [State] Medicaid waiver, contracted providers will: (1) accept [Contractor]’s Medicare reimbursement as payment in full or bill [applicable payer(s) – State,*

*D-SNP Contractor, or Medicaid managed care organizations] for applicable Medicare cost-sharing amounts, and (2) refrain from collecting cost sharing from enrollees for these services.*

- *Enrollees with QMB coverage may not be charged Medicare cost-sharing amounts for any Medicare A and B services even if the services are not covered under the [State]'s Medicaid state plan or a Medicaid waiver.*

## 2 Sample SMAC language for states that allow D-SNPs to enroll non-QMB partial-benefit dually eligible individuals (SLMB only, QI, and/or QDWI individuals)

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### 2.A. Sample contract language for states that: (1) allow D-SNPs to enroll SLMB, QI and/or QDWI individuals, (2) **do not** allow the population(s) eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) **do** cover all Medicare cost sharing for non-QMB full-benefit dually eligible individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit:

*[State] does not allow any nominal Medicaid copayments to be charged to the population(s) eligible for enrollment in [Contractor]'s D-SNP under its state plan for medical assistance. Therefore, per Sections 1902(n)(3)(B) and section 1852(a)(7) of the Social Security Act and 42 CFR 422.504(g)(1)(iii), [Contractor] may not charge any QMB, QMB+, SLMB+ or Other Full-Benefit Dually Eligible (FBDE) enrollee of [Contractor]'s D-SNP any cost sharing for any Medicare A or B service rendered by one of [Contractor]'s network providers. SLMB, QI, and QDWI enrollees are responsible for covering their own cost sharing amounts for Medicare A and B services.*

*[Contractor]'s materials shall:*

- *Clearly describe the applicable cost-sharing amounts corresponding to each Part A and B service covered under [Contractor]'s D-SNP and the enrollee populations to whom those cost-sharing amounts apply (specifically, the D-SNP's [include any of the following populations who are eligible to enroll in the D-SNP: SLMB, QI, and/or QDWI] enrollees).*
- *Make clear that QMB, QMB+, SLMB+ and Other FBDE enrollees will not be held liable for cost-sharing amounts associated with Medicare A and B services rendered by [Contractor]'s network providers.*
- *[For PPOs and HMO-POS plans only] Indicate that SLMB+ and Other FBDE individuals may be charged cost-sharing amounts if they see a provider who is not part of the [Contractor]'s D-SNP network or a registered Medicaid provider in [State].*

*[Contractor]'s provider agreements shall specify that:*

- *For services rendered to QMB, QMB+, SLMB+ and Other FBDE enrollees, contracted providers will: (1) accept [Contractor]'s Medicare reimbursement as payment in full or bill [applicable payer(s) – State, D-SNP Contractor, or Medicaid managed care organizations] as applicable for any additional Medicare cost-sharing payments that may be reimbursable by Medicaid, and (2) refrain from collecting any cost sharing from the enrollees.*

## Cost Sharing Protections for D-SNP Enrollees

- For services rendered to SLMB, QI and QDWI enrollees, contracted providers will charge the enrollees no more than the cost-sharing amounts established within [Contractor]’s D-SNP plan benefit package.

### **2.B. Sample contract language for states that: (1) allow D-SNPs to enroll SLMB, QI and/or QDWI individuals, (2) do not allow the population(s) eligible for D-SNP enrollment to be charged nominal Medicaid copayments; and (3) do not cover all Medicare cost sharing for non-QMB full-benefit dually eligible individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit:**

[State] does not allow any nominal Medicaid copayments to be charged to the population(s) eligible for enrollment in [Contractor]’s D-SNP under its state plan for medical assistance. Therefore, per Sections 1902(n)(3)(B) and section 1852(a)(7) of the Social Security Act and 42 CFR 422.504(g)(1)(iii), [Contractor] may not charge any QMB, QMB+, SLMB+ or Other Full-Benefit Dually Eligible (FBDE) individual enrollee of [Contractor]’s D-SNP any cost sharing for any Medicare A or B service rendered by one of [Contractor]’s network providers, except in the rare case of Medicare A or B services that are not covered under [State]’s Medicaid state plan or a [State] Medicaid waiver, wherein SLMB+ and Other FBDE enrollees in [Contractor]’s D-SNP may be charged the full Medicare cost-sharing amount specified within the D-SNP’s plan benefit package. SLMB, QI, and QDWI enrollees are responsible for covering their own cost-sharing amounts for Medicare A and B services.

[Contractor]’s materials shall:

- Clearly describe the cost-sharing amounts corresponding to each Part A and B service covered under [Contractor]’s D-SNP and the enrollee populations to whom those cost-sharing amounts apply (specifically, the D-SNP’s [include any the following populations who are eligible to enroll in the D-SNP: SLMB, QI, and/or QDWI] enrollees).
- Make clear that QMB and QMB+ enrollees will not owe any Medicare cost-sharing amounts for any Medicare A or B services rendered by a provider in [Contractor]’s network or an out-of-network provider who is enrolled in Medicare.
- Make clear that SLMB+ and Other FBDE enrollees will not be held liable for cost-sharing amounts associated with Medicare A and B services rendered by [Contractor]’s network providers if the services are also covered under [State]’s Medicaid state plan.
- [for PPOs and HMO-POS plans only] Indicate that SLMB+ and Other FBDE enrollees may be charged cost-sharing amounts if they: (1) see a provider who is not part of the [Contractor]’s D-SNP network or a registered Medicaid provider in [State], and/or (2) obtain services that are not covered under [State]’s state plan or a [State] Medicaid waiver.

[Contractor]’s provider agreements shall specify that:

- For services rendered to [Contractor]’s QMB and QMB+ enrollees, contracted providers will: (1) accept [Contractor]’s Medicare reimbursement as payment in full or bill [applicable payer(s) – State, D-SNP Contractor, or Medicaid managed care organizations] as applicable for any additional Medicare cost sharing payments that may be reimbursable by Medicaid, and (2) refrain from collecting any cost sharing from the QMB or QMB+ enrollees.
- For services rendered to [Contractor]’s SLMB+ and Other FBDE enrollees, contracted providers will: (1) accept [Contractor]’s Medicare reimbursement as payment in full or bill [applicable payer(s) – State, D-SNP Contractor, or Medicaid managed care organizations] for services that are covered under



*[State]’s Medicaid state plan or a [State] Medicaid waiver, and (2) refrain from collecting cost sharing from SLMB+ and Other FBDE enrollees for those services.*

- *For services rendered to SLMB, QI and QDWI enrollees, contracted providers will charge the enrollees no more than the cost-sharing amounts established within [Contractor]’s D-SNP plan benefit package.*

**2.C. Sample contract language for states that: (1) allow D-SNPs to enroll SLMB, QI and/or QDWI individuals, (2) do allow the population(s) eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) do cover all Medicare cost sharing for non-QMB full-benefit dually eligible individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit:**

*Except for the D-SNP’s [include any the following populations who are eligible to enroll in the D-SNP: SLMB, QI, and/or QDWI] enrollees, who are responsible for covering their own cost-sharing amounts for Medicare A and B services, per Sections 1902(n)(3)(B) and section 1852(a)(7) of the Social Security Act and 42 CFR 422.504(g)(1)(iii), for any Medicare A or B service rendered by one of [Contractor]’s network providers, [Contractor] and its network providers may not charge D-SNP enrollees any cost-sharing amounts that would exceed the nominal Medicaid copayment amounts specified in [State]’s Medicaid state plan. Applicable nominal Medicaid copayment amounts are described in [reference to section or appendix in SMAC that lists the nominal Medicaid copayment amounts allowed under the state’s Medicaid state plan for the population(s) eligible for enrollment in the D-SNP, as well as the specific services to which those nominal Medicaid copayment amounts pertain].*

*[Contractor]’s materials shall:*

- *Clearly describe the cost-sharing amounts corresponding to each Part A and B service covered under [Contractor]’s D-SNP and the enrollee populations to whom those cost-sharing amounts apply (specifically, the D-SNP’s [include from the following populations any group(s) who are eligible to enroll in the D-SNP: SLMB, QI, and/or QDWI] enrollees).*
- *Make clear that nominal Medicaid copayments are the only cost-sharing amounts for which other enrollees may be liable for any Medicare A and B services covered by the D-SNP and rendered by a provider in [Contractor]’s network (with applicable nominal Medicaid copayments specified for relevant services).*
- *[for PPOs and HMO-POS plans only] Indicate that SLMB+ and Other FBDE individuals may be charged cost-sharing amounts if they see a provider who is not part of the [Contractor]’s D-SNP network or a registered Medicaid provider in [State].*

*[Contractor]’s provider agreements shall include a detailed list of all services for which nominal Medicaid copayments may be imposed and the applicable copayment for each listed service. [Contractor]’s provider agreements shall also specify that:*

- *For services rendered to SLMB, QI and QDWI enrollees, contracted providers will charge the enrollees no more than the cost-sharing amounts established within [Contractor]’s D-SNP plan benefit package.*
- *For all other enrollees, contracted providers will refrain from charging any more than the provided nominal Medicaid copayment amounts for the services for which such copayments may be charged. For services for which nominal Medicaid copayments may not be charged, contracted providers will: (1) accept [Contractor]’s Medicare reimbursement as payment in full or bill [applicable payer(s)] –*

*State, D-SNP Contractor, or Medicaid managed care organizations] as applicable for any additional Medicare cost sharing payments that may be reimbursable by Medicaid and (2) refrain from collecting any cost sharing from the enrollees.*

**2.D. Sample contract language for states that: (1) allow D-SNPs to enroll SLMB, QI and/or QDWI individuals, (2) do allow the population(s) eligible for D-SNP enrollment to be charged nominal Medicaid copayments, and (3) do not cover all Medicare cost sharing for non-QMB full-benefit dually eligible individuals (SLMB+ and “Other FBDE” individuals) as a state plan benefit:**

*Except for the D-SNP’s [include any the following populations who are eligible to enroll in the D-SNP: SLMB, QI, and/or QDWI] enrollees, who are responsible for covering their own cost-sharing amounts for Medicare A and B services, per Sections 1902(n)(3)(B) and section 1852(a)(7) of the Social Security Act and 42 CFR 422.504(g)(1)(iii), for any Medicare A or B service rendered by one of [Contractor]’s network providers, [Contractor] and its network providers typically may not charge D-SNP enrollees any cost-sharing amounts that would exceed the nominal Medicaid copayment amounts specified in [State]’s Medicaid state plan. In the rare case of Medicare A or B services that are not covered under [State]’s Medicaid state plan or a [State] Medicaid waiver, SLMB+ and Other FBDE enrollees in [Contractor]’s D-SNP may be charged the full Medicare cost-sharing amount specified within the D-SNP’s plan benefit package. Applicable nominal Medicaid copayment amounts are described in [reference to section or appendix in SMAC that lists the nominal Medicaid copayment amounts allowed under the state’s Medicaid state plan for the population(s) eligible for enrollment in the D-SNP, as well as the specific services to which those nominal Medicaid copayment amounts pertain].*

*[Contractor]’s materials shall:*

- *Clearly describe the cost-sharing amounts corresponding to each Part A and B service covered under [Contractor]’s D-SNP and the enrollee populations to whom those cost-sharing amounts apply (specifically, the D-SNP’s [include from the following populations any group(s) who are eligible to enroll in the D-SNP: SLMB, QI, and/or QDWI] enrollees).*
- *Make clear that nominal Medicaid copayments are the only cost-sharing amounts for which other enrollees may be liable for any Medicare A and B services covered by the D-SNP and rendered by a provider in [Contractor]’s network (with applicable nominal Medicaid copayments specified for relevant services), as long as the services are also covered under [State]’s Medicaid state plan or a [State] Medicaid waiver.*
- *[for PPOs and HMO-POS plans only] Indicate that SLMB+ and Other FBDE enrollees may be charged cost-sharing amounts if they: (1) see a provider who is not part of the [Contractor]’s D-SNP network or a registered Medicaid provider in [State], and/or (2) obtain services that are not covered under [State]’s state plan or a [State] Medicaid waiver.*

*[Contractor]’s materials shall also clearly indicate for each covered service: (1) whether the service is also covered by the [State]’s Medicaid state plan or a [State] Medicaid waiver, (2) whether any nominal Medicaid copayments apply to the service, and (3) the applicable copayments for each D-SNP-eligible population.*

*[Contractor]'s provider agreements shall include a detailed list of all services for which nominal Medicaid copayments may be imposed and the applicable Medicaid copayment for each listed service.*

*[Contractor]'s provider agreements shall also specify that:*

- *For SLMB, QI and QDWI enrollees, contracted providers will charge the enrollees no more than the cost-sharing amounts established within [Contractor]'s D-SNP plan benefit package.*
- *For all other enrollees, contracted providers will refrain from charging any more than the provided nominal Medicaid copayment amounts for the services for which such copayments may be charged. For services for which (1) nominal Medicaid copayments may not be charged and (2) the [State] provides coverage under the Medicaid state plan or a [State] Medicaid waiver, contracted providers will accept [Contractor]'s Medicare reimbursement as payment in full or bill [applicable payer(s) – State, D-SNP Contractor, or Medicaid managed care organizations] for applicable Medicare cost-sharing amounts. Contracted providers will also refrain from collecting cost sharing from enrollees for these services.*
- *Enrollees with QMB coverage may not be charged Medicare cost sharing amounts for any Medicare A and B services.*

### **ABOUT THE INTEGRATED CARE RESOURCE CENTER**

The **Integrated Care Resource Center** is a national initiative of the Centers for Medicare & Medicaid Services Medicare-Medicaid Coordination Office to help states improve the quality and cost-effectiveness of care for Medicare-Medicaid enrollees. The state technical assistance activities provided by the Integrated Care Resource Center are coordinated by [Mathematica](#) and the [Center for Health Care Strategies](#). For more information, visit [www.integratedcareresourcecenter.com](http://www.integratedcareresourcecenter.com).

## Appendix A: How Do I Know If My State Covers All Medicare Cost Sharing as a Medicaid State Plan Benefit for SLMB+ and Other FBDE Individuals?

When a state covers all Medicare cost sharing for SLMB+ and Other FBDE individuals as a Medicaid state plan benefit, the state indicates that coverage by marking with an X the statement “For the entire range of services available under Medicare Part B” in section 3.2(b)(1)(ii) of Attachment 3.2-A of the state plan, as shown in **Figure A.1** below.

If a state marks “Only for the amount, duration, and scope of services otherwise available under this plan” in section 3.2(b)(1)(ii) of Attachment 3.2-A of the state plan, that means the state will provide full Medicaid benefits for these individuals, but the state will not cover all Medicare cost sharing for these individuals as a state plan benefit.

When a state covers all Medicare cost sharing for SLMB+ and Other FBDE individuals as a state plan benefit, the state ensures that these individuals will not have to pay any cost sharing for services that are covered by Medicare but not covered as a state plan or Medicaid waiver benefit.

**Figure A.1. Section 3.2(B)(1)(ii) of Attachment 3.2-A of a Medicaid State Plan Indicating that a State Covers Medicare Cost Sharing for SLMB+ and Other FBDE Individuals**

<u>Citation</u>	(b) <u>Deductibles/Coinsurance</u>				
1902(a)(30), 1902(n), 1905(a), and 1916 of the Act	(1) <u>Medicare Part A and B</u>  Supplement 1 to ATTACHMENT 4.19-B describes the methods and standards for establishing payment rates for services covered under Medicare, and/or the methodology for payment of Medicare deductible and coinsurance amounts, to the extent available for each of the following groups.				
Sections 1902 (a)(10)(E)(i) and 1905(p)(3) of the Act	(i) <u>Qualified Medicare Beneficiaries (QMBs)</u>  The Medicaid agency pays Medicare Part A and Part B deductible and coinsurance amounts for QMBs (subject to any nominal Medicaid copayment) for all services available under Medicare.				
1902(a)(10), 1902(a)(30), and 1905(a) of the Act	(ii) <u>Other Medicaid Recipients</u>  The Medicaid agency pays for Medicaid services also covered under Medicare and furnished to recipients entitled to Medicare (subject to any nominal Medicaid copayment). For services furnished to individuals who are described in section 3.2(a)(1)(iv), payment is made as follows:				
42 CFR 431.625	<table border="0" style="width: 100%;"> <tr> <td style="width: 20px; vertical-align: top;">X</td> <td style="vertical-align: top;">For the entire range of services available under Medicare Part B.</td> </tr> <tr> <td style="width: 20px; vertical-align: top;">—</td> <td style="vertical-align: top;">Only for the amount, duration, and scope of services otherwise available under this plan.</td> </tr> </table>	X	For the entire range of services available under Medicare Part B.	—	Only for the amount, duration, and scope of services otherwise available under this plan.
X	For the entire range of services available under Medicare Part B.				
—	Only for the amount, duration, and scope of services otherwise available under this plan.				