



**MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP**

---

**DATE:** December 7, 2015

**TO:** Medicare Advantage Organizations

**FROM:** Kathryn A. Coleman  
Director

**SUBJECT:** Discontinuation of Dual Eligible Special Needs Plans Sub-type Categories

The purpose of this memo is to inform all Medicare Advantage Organizations (MAOs) that effective contract year (CY) 2017, Dual Eligible Special Needs Plans (D-SNPs) will no longer be categorized by enrollment eligibility sub-types in the Health Plan Management System (HPMS).

Per 42 CFR §422.107, MAOs offering a D-SNP must document “the category(ies) of eligibility for dual eligible beneficiaries to be enrolled under the SNP” in their State Medicaid Agency Contract (SMAC). Since this information is already captured in the SMAC, CMS can determine the D-SNP’s enrollment categories independent of any MAO action.

Therefore, beginning with the CY 2017 application, MAOs should take note of the following operational changes:

- MAOs currently offering a D-SNP under a MA-PD contract do not have to submit applications to offer a different D-SNP type. However, an application is required to expand the service area of an existing D-SNP.
- MAOs operating multiple D-SNPs under a single MA-PD contract, are required to have one approved D-SNP MOC for those multiple D-SNPs. CMS will contact MAOs effected by this change to discuss on the impact on their current D-SNP MOC approval periods.
- MAOs must indicate at time of plan creation, whether or not each D-SNP Plan Benefit Package (PBP) under a MA-PD contract is a Medicare Zero-Dollar Cost Sharing plan.

All D-SNPs must continue to meet the SMAC requirements specified in 42 CFR § 422.107. CMS will provide training to D-SNPs during the SNP Application HPMS training sessions. These training dates will be announced via HPMS in the near future.

Please direct any inquiries regarding this change to the Division of Policy, Analysis and Planning mailbox located at: <https://DPAP.lmi.org>.