Summary of SNP Proposal Comments/Issues for OMB

Key Issues	CMS Approach
Issue: Timeline for State Contract Documentation There is a July 2, 2007 due date for an applicant to demonstrate to CMS that a contract or agreement between the applicant and State exists in order for CMS to approve a dual eligible population subset that would be eligible for enrollment in that SNP. **Discussion Points:** • A number of states and MA contractors commented that the timeline is not realistic since the States do not complete their contracting process until the Fall. • At least 10 states are planning to contract with SNPs in 2007 for 2008. The present July 2 date would likely postpone this implementation until 2009. • Extending the July 2 date complicates at least the following CMS Medicare operations; ▪ Applicant approval. ▪ Number of bids and whether they would eventually go live or terminate. ▪ Approval of marketing materials and the onset of marketing a subsetted SNP product. ▪ Medicare & You Handbook - The middle of August is the deadline for plan inclusion. (AHIP, SNP Alliance, CHCS, Molina Healthcare, Amerigroup, Minnesota, New Mexico, New York, Florida)	**Decision:** Extended the due date to October 1, 2007, for having a contract and providing sufficient documentation to CMS. **Operational Considerations**: • The applicant bid approval for the subset population would be contingent upon a final contract between the applicant and the State to serve the requested Medicaid population. • The CMS contract with an applicant will contain an addendum indicating that the applicant can not offer the SNP until CMS receives documentation of a signed State contract. Documentation must be received no later than October 1, 2007. • These subsetted SNP plans would either be suppressed or language would be added to address unapproved bids in the Medicare & You Handbook and the first round of Medicare Plan Finder, if the contract is not provided by mid-September.

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Issue: SNP Model of Care Detailed information will be collected on the SNP model of care. Industry commented that there is no evaluative criteria for review of these models and no regulatory requirement for the inclusion of new requirements in the SNP proposal. **Discussion Points:** • Drive SNP program toward specialized care. • Whether CMS can require an MAO with an existing SNP to operate under the same model of care requirements that govern SNPs entering the market for 2008. • Definition of frail. • Definition of model of care. • Submission of performance reports in the application. (AHIP, SNP Alliance, Molina Healthcare, United)	**Decision:** **Requiring discussion of what makes the SNP model of care special** – CMS can require Applicants to demonstrate that it is providing "specialized" services targeted to meeting the needs of the special needs population they intend to serve. CMS can also require existing SNPs to be able to identify measures they are taking to address the special needs of the population they are serving. CMS will advise existing MAOs with SNPs that CMS will review the SNP Model of Care through the MA audit process including, but not limited to, the MAOs policies and procedures related to the SNP Model of Care **Frailty & Model of Care** – Two generally accepted definitions of frailty are provided. The applicant is directed to use one of these or a similar definition. A model of care definition is provided. **Performance reports –** Will be evaluated as a part of SNP audits.

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Issue: Definition of full duals and additional categories of Dual Eligible SNPs **Discussion Points**: • The industry requested that we define "full dual", and requested that we allow a subset without State contracting for QMB pluses and QMB onlys (those that receive full Medicare cost sharing through a state Medicaid program). (NOTE: SNP Alliance, State of Minnesota, Amerigroup, AHIP)	**Decision:** A full dual definition is provided; it is the same definition as required in the Medicare statute and regulations. Also, there is no legal impediment to creating the additional category of QMB plus and QMB only. Other subsets of the dual population would require the plan to have a State contract.
Issue: **Requiring that certain provisions be addressed in LTC contracts** **Discussion Points:** • The industry expressed concern that having to include these elements directly in the contract would require reopening contracts. Therefore they requested the flexibility to include these provisions in the provider manual that is referenced in the contract. (AHIP, SNP Alliance, Molina Healthcare, United)	**Decision:** Allow these provisions to be in the provider manual prior to the program going live in the LTC facility. The provisions must be specifically referenced in the LTC contract.

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Key Issues	CMS Approach
Issue: **Institutional SNPs with LTC contracts - Limiting enrollment** **Discussion Points:** • Several comments indicated that requiring institutional SNP serving individuals in a LTC facility to only enroll those individuals residing or agreeing to reside in contracted LTC facilities is unnecessarily restrictive. (United, AHIP)	**Decision:** CMS can require that an institutional SNP serve only individuals who reside or agree to reside in contracted LTC facilities. The word "specialized" in the statute clearly implies that the product is providing a specialized benefit that is targeted to meeting the SNP population's needs. The MAO is required to provide uniform benefits to all beneficiaries in a given plan. The MAO could not provide the same comprehensive benefits to individuals in a non-contracted facility in accordance with the SNP model of care. The policy of enrolling only individuals in contracted LTCs was articulated by MAG Director, in a letter to United Health Care dated November 10, 2004
Issue: Allowing institutional SNPs serving beneficiaries in the community to limit their network to contracted assisted living facilities (ALFs) **Discussion Points** • Can an institutional SNP serving individuals living in the community but requiring an institutional level of care restrict access to those individuals that reside or agree to reside in a contracted ALF? (SNP Alliance)	**Decision:** There is no legal impediment to limiting the network for the SNP to contracted ALFs. The policy would be the following: If a community based institutional SNP is limited to specific facilities, a potential enrollee must either reside or agree to reside in the MAOs contracted ALF to enroll in the SNP. Proposals for this type of institutional SNP will be reviewed on a case by case basis for approval and the applicant must demonstrate the need for the limitation and including how community resources will be organized and provided.

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Key Issues	CMS Approach
Issue: **Multiple SNP Proposals/Contracts** **Discussion Points:** • CMS received comments to develop a mechanism for those applicants who will submit proposals under multiple contracts to streamline the process and submit a "master" proposal. Furthermore, we received comments to eliminate duplication in discussion of model of care under any given contract. (United, AHIP)	**Proposed Decision:** CMS revised the 2008 application to allow for greater flexibility for those requesting SNPs under multiple contracts, and requesting multiple SNPs under a single contract, to minimize any duplication in the discussion of their models of care.