

10.3 – Requirements and Payment Procedures

(Rev. 123, Issued: 08-19-16, Effective: 08-19-16, Implementation: 08-19-16)

SNPs are expected to follow existing MA program rules, including MA regulations at 42 CFR 422, as interpreted by guidance, with regard to Medicare-covered services and Prescription Drug Benefit program rules. All SNPs must provide Part D prescription drug coverage because special needs individuals must have access to prescription drugs to manage and control their special health care needs (see 42 CFR 422.2). SNPs should assume that existing Part C and D rules apply unless there is a specific exception in the regulation/statutory text or other guidance to CMS interpreting the rule as not applicable to SNPs. Additional requirements for SNP plans can be found in the Prescription Drug Benefit Manual at:
<https://www.cms.gov/medicare/prescription-drug->

[coverage/prescriptiondrugcovcontra/partdmanuals.html](#).

Payment procedures for SNPs mirror the procedures that CMS uses to make payments to non-SNP MA plans. SNPs must prepare and submit bids like other MA plans, and are paid in the same manner as other MA plans based on the plan's enrollment and the risk adjustment payment methodology. Guidance on payment to MAOs is available in chapter 8 of the MMCM. CMS posts current MA payment rates online in the "Ratebooks & Supporting Data" section at: <http://www.cms.hhs.gov/MedicareAdvtgSpecRateStats/>.

Current CMS guidance on cost sharing requirements, including guidance provided by the CMS model marketing materials at: <https://www.cms.gov/Medicare/Health-Plans/ManagedCareMarketing/MarketngModelsStandardDocumentsandEducationalMaterial.html>, is applicable to all SNPs.