

DATE: February 25, 2019

SUBJECT: D-SNP Benefit Flexibility for Contract Year 2020

MESSAGE: CMS reminds all Medicare Advantage organizations (MAOs) that qualified Dual Eligible Special Needs Plans (D-SNPs) that meet the requirements and approval process outlined in section 20.2.6 of chapter 16B of the Medicare Managed Care Manual may seek CMS approval to offer flexible supplemental benefits.

The benefits listed in section 20.2.6.2 in Chapter 16B, with the exception of in-home food delivery, can now be offered by all Medicare Advantage plans under the expanded definition of “primarily health related” as defined in our April 27, 2018 HPMS memo titled [“Reinterpretation of Primarily Health Related for Supplemental Benefits”](#). Therefore, **D-SNPs only need to apply for benefit flexibility under 42 CFR § 422.102(e) if they wish to offer in-home food delivery.**

If a D-SNP wishes to offer an in-home food delivery benefit, they must submit a request for CMS approval on company letterhead by **6:00pm EST on March 11, 2019**. Submissions should be made to CMS’s website portal located at: <https://dmao.lmi.org>. In the portal, please select the Special Needs Plans tab. In the Issue box, please enter the words “CY2020 D-SNP Benefit Flexibility Request.” This request should include the following identifying information:

- Contract Number/ID;
- Contract Name;
- Plan Number/ID;
- Plan Type; and
- Contract Year for which the D-SNP intends to offer the flexible supplemental benefit.

CMS intends to provide MAOs with a determination of whether the D-SNP(s) is eligible to offer the flexible supplemental benefit in spring 2019.

This communication also clarifies that to be eligible to offer flexible supplemental benefits a D-SNP must have a capitated contract with a state Medicaid agency that requires the D-SNP to provide coverage of long-term services and supports (LTSS), behavioral health services, or both for its enrollees. A D-SNP can meet the integration requirement if the coverage provided for LTSS or behavioral health services is consistent with state Medicaid policy.

In addition, to determine that the standard is met, CMS will review the contract between the state and the D-SNP (i.e., the contract meeting the requirements at 42 CFR § 422.107) and, if applicable, the contract between the state and an affiliated Medicaid managed care plan that provides coverage of these Medicaid benefits under the D-SNP. We note that in order to comply with § 422.107, the contract between the state and the D-SNP must require the D-SNP to coordinate all Medicare and Medicaid benefits to which the D-SNP enrollee is entitled, whether or not the D-SNP or its affiliated managed care plan provides these benefits directly.

