

CMS Issues 2027 Medicare Advantage and Part D Final Rule with Provisions Related to Dual Eligible Special Needs Plans (D-SNPs)

On April 2, 2026, the Centers for Medicare & Medicaid Services (CMS) issued the Contract Year 2027 Medicare Advantage and Part D (MAPD) [final rule](#), which contains several provisions related to Medicare Advantage (MA) dual eligible special needs plans (D-SNPs) that may be of interest to states.

Key D-SNP-related provisions of the rule include:

- Modifying the D-SNP passive enrollment regulations at 42 CFR § 422.60(g) to replace the current requirement that the receiving D-SNP and the relinquishing D-SNP have “substantially similar” provider networks and coverage of Medicare and Medicaid benefits with a new requirement that the receiving D-SNP provide a continuity of care transition period of 120 days to enrollees who are enrolled into the D-SNP via the passive enrollment process (pp. 17523 – 17529).
- Establishing new exceptions to the policy finalized in the CY 2025 final rule to increase the percentage of dually eligible managed care enrollees who receive coverage for Medicare and Medicaid services through the same organization (pp. 17529 – 17538). These exceptions will:
 - Subject to state policy, allow D-SNPs that serve full-benefit dually eligible individuals in a HIDE SNP or coordination-only D-SNP to continue enrollment of full-benefit dually eligible individuals in a D-SNP in the same service area where those individuals are enrolled in Medicaid fee-for-service.
 - Exempt MA organizations operating in the U.S. Territories that have not adopted the Medicare Savings Programs from the requirement to only offer one D-SNP for full-benefit dual eligible individuals in the same service area.
- Clarifying that MA organizations with D-SNP-only contracts cannot submit materials using the MA organization’s multi-contract entity (MCE) number for D-SNP-only contracts, nor can third-party marketing organizations submit materials on behalf of the MA organization for D-SNP-only contracts using a multi-plan number (pp. 17541 – 17544).
- Updating the off-cycle model of care (MOC) submission timeline for D-SNPs and institutional special needs plans (I-SNPs) in CY 2027 and subsequent years to reflect the new MOC initial and renewal submission deadline of the Friday before the first Monday in June (pp. 17521 – 17523). Specifically, the rule revises the current off-cycle submission period of June 1 – November 30 to two new periods of January 1 – March 31 and October 1 – December 21.
- Enabling CMS to immediately terminate CMS contracts with a D-SNP that no longer holds a state Medicaid agency contract with the state in which they operate (pp. 17538 – 17541).
- Retaining the language at 42 CFR § 422.102(e) that allows certain D-SNPs that meet integration and performance standards to offer additional Medicare supplemental benefits (pp. 17547 - 17549).

CMS also summarizes in the final rule (pp. 17544 – 17545) the request for information (RFI) that it issued in the proposed rule regarding growth in dually eligible individuals' enrollment in chronic condition special needs plans (C-SNPs) and institutional special needs plans (I-SNPs). While CMS does not summarize in the final rule the specific comments it received on this RFI, CMS expressed appreciation for the comments received and noted that it will consider those comments for future rulemaking.

For a summary of other major provisions in the [final rule](#), see the [CMS fact sheet](#).

ABOUT THE INTEGRATED CARE RESOURCE CENTER

The Integrated Care Resource Center is a national initiative of the Centers for Medicare & Medicaid Services to help states improve the quality and cost-effectiveness of care for individuals dually eligible for Medicare and Medicaid. The state technical assistance activities are coordinated by Mathematica and the Center for Health Care Strategies. For more information, visit www.integratedcareresourcecenter.com.

[Subscribe](#) for updates from the Integrated Care Resource Center.
Send queries to: ICRC@mathematica-mpr.com

To unsubscribe, send an e-mail with "Unsubscribe ICRC" in the subject line to ICRC@mathematica-mpr.com