

Spotlight: CMS Releases Final Rule on D-SNP Integration and Integrated Appeals

On April 5, 2019, the Centers for Medicare & Medicaid Services (CMS) published new [final rule for Medicare Advantage and Part D](#) that implements provisions of the Bipartisan Budget Act of 2018 related to the integration of Medicare and Medicaid services and unification of Medicare and Medicaid grievance and appeals procedures by Dual Eligible Special Needs Plans (D-SNPs). There were very few changes made to the regulatory requirements from the original proposal to the final rule.

Integration requirements

States will need to take action on the integration requirements. CMS is finalizing requirements that D-SNPs must meet the new Medicare-Medicaid integration criteria in at least one of the following ways:

- By having a state contract to provide Medicaid long-term services and supports and/or Medicaid behavioral health benefits either directly with the legal entity providing the D-SNP, with the parent organization of the D-SNP, or with a subsidiary owned and controlled by the parent organization of the D-SNP; or
- By having a contract with the state Medicaid agency specifying a process to share information with the state, or the state's designee (such as a Medicaid managed care organization), on hospital and skilled nursing facility admissions of high-risk individuals who are enrolled in the D-SNP. The final rule provides flexibility to states to specify the subpopulation(s) of high-risk full-benefit dual eligible individuals on which D-SNPs should provide such notification.

State contracts with D-SNPs for 2021 will need to reflect the CMS final rule integration criteria. D-SNPs must submit these contracts for 2021 by early July 2020, and it will take time for states and D-SNPs to develop new processes and contract language. **Therefore, states should begin to consider these new requirements now.** If CMS determines a D-SNP does not meet the new integration requirements starting in 2021, the agency will exercise its authority under the statute to apply marketing and enrollment sanctions to the D-SNP until it determines the requirements are being met.

Unified Appeals and Grievances Processes

CMS is finalizing rules to unify Medicare and Medicaid grievance and plan-level appeals processes for certain D-SNPs and affiliated Medicaid managed care plans. The processes apply to D-SNPs with exclusively aligned enrollment, where one organization is responsible for managing Medicare and Medicaid benefits for all D-SNP enrollees through the D-SNP and the affiliated Medicaid managed care plan. In such plans, which are called "applicable integrated plans" in the final rule, enrollees will have simpler, more straightforward grievance and appeals processes. The final rule will take effect in 2021. States using D-SNPs and aligned Medicaid managed care plans as platforms for integration should review the definition of "applicable integrated plans" on page 570 to see if it incorporates the types of Medicaid plans the state uses as aligned Medicaid plans for D-SNPs.

For grievances (i.e., complaints to a health plan), these plans will use one set of rules with one timeline that governs resolution of all grievances. For example, Medicare Advantage rules say that a grievance must be filed within 60 days of

the event. Medicaid managed care rules allow enrollees to file a grievance at any time. The final rule adopts the Medicaid rule and applies it to D-SNPs and Medicaid MCOs that are applicable integrated plans.

For appeals, the final rule establishes one process for applicable integrated plans to determine if they will cover a requested item/service, and if they do not, one unified process for a beneficiary to pursue an appeal. The unified process includes providing aid pending appeal for all Medicare and Medicaid services, instead of just for Medicaid services as exists under current law. In addition, the unified process requires a single set of rules to govern procedural matters such as timelines and rules for authorization.

The final rule also requires that all D-SNPs assist their enrollees with Medicaid-related grievances and addressing access to care issues (such as filing appeals) as part of the D-SNPs' existing responsibility to coordinate the delivery of Medicaid benefits.

State Medicaid officials with questions related to CMS policies impacting D-SNPs can contact the CMS Medicare-Medicaid Coordination Office at MMCO_DSNPOperations@cms.hhs.gov or request technical assistance from the Integrated Care Resource Center at ICRC@chcs.org.

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 Policy Research 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@chcs.org

To unsubscribe, send an e-mail with "Unsubscribe ICRC" in the subject line to ICRC@chcs.org