

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



CENTER FOR DRUG AND HEALTH PLAN CHOICE

DATE: October 21, 2008

TO: All Medicare Advantage Organizations

FROM: Teresa DeCaro, Acting Director
Medicare Drug & Health Plan Contract Administration Group

Anthony Culotta, Director
Medicare Enrollment & Appeals Group

SUBJECT: Chronic Care Special Needs Plans -- Update on Eligibility Verification
Procedures and Marketing Requirements

The purpose of this notice is to inform Chronic Care Special Needs Plans (C-SNPs) that, in addition to the current procedures for C-SNPs to verify the chronic care conditions of their prospective enrollees, CMS will consider an alternative proposal for conducting these critical verification efforts. We are also clarifying our marketing requirements for these plans.

Option for Verification of Chronic Condition:

In our recent update to Chapter 2 of the Medicare Managed Care Manual, we established our requirements for verifying an individual's eligibility prior to their enrollment in the plan. Specifically, organizations offering C-SNPs may either: 1) contact the provider or provider's office to obtain verification prior to enrollment, or 2) use a CMS-approved pre-enrollment qualification assessment tool prior to enrollment and obtain verification of the condition from the provider or provider's office on a post-enrollment basis. If the organization chooses the second option, it has until the end of the first month of enrollment to complete the verification and confirmation process; if it cannot do so, it must notify the individual that he or she will be disenrolled for not having the qualifying condition. (See Section 20.11 of Chapter 2, updated on July 16, 2008, for more information.)

Since this guidance was released, we have heard from some organizations that occasionally a provider or the provider's office is unwilling or unable to provide the requested confirmation of an individual's special needs status on a timely basis. Consequently, this can prevent the organization from completing the verification process in a timely manner. We have also received inquiries from organizations about possible alternatives to the verification processes outlined in our recent update.

CMS is interested in working collaboratively with our partner Medicare Advantage (MA) organizations offering SNP plans that serve individuals with chronic health conditions to ensure that they appropriately identify and enroll their target population. To that end, we are willing to consider, on a case-by-case basis, detailed proposals from MA organizations offering a C-SNP plan for an alternative to the post-enrollment provider confirmation process outlined in our guidance. Organizations must submit proposals by mail to:

Judith Sutcliffe
Division of Special Programs
Centers for Medicare and Medicaid Services
7500 Security Blvd.
Mail Stop C4-22-04
Baltimore, MD 21244

Alternatively, CMS will accept proposals emailed as a single PDF file. Proposals should be emailed to Judith.Sutcliffe@cms.hhs.gov.

We will consider only detailed, thorough proposals that address the following key points:

- Description of the CMS-approved pre-qualification questionnaire tool in place to begin the process;
- How the organization would obtain confirmation of the current disease or condition identified via the pre-qualification tool;
- If the proposal includes obtaining or using data sources in lieu of direct provider contact, the source of this data and how the organization will ensure use of such data does not violate HIPAA or any other applicable law;
- If the proposal includes obtaining or using data, explanation of how the organization will ensure the information being used is current, accurate, and definitive so that it can serve as a reliable substitute for interaction with a provider or provider's office;
- The expected timeframes for beginning the proposed process (and ending it, if applicable);
- The organization's proposed process for overseeing and monitoring this activity, if approved for use;
- Agreement to allow CMS to share summaries of approved proposals with all MA organizations offering C-SNP plans prior to the start of the 2009 Annual Election Period (for contract year 2010) to ensure all C-SNPs have an understanding of what CMS will permit by way of alternative verification methods; and
- Requirement that proposals be accompanied by a signed cover letter from the C-SNP's Compliance Officer or other Senior Officer of the organization.

CMS is committed to ensuring that only qualified individuals are enrolled into C-SNPs and, thus, avoiding the disruptions and confusion that can result when subsequent disenrollments need to take place. Thus, CMS intends to review proposals as expeditiously as possible and generally expects to respond to proposals within two weeks of receipt. During the review period, our existing requirements for verification, described in Section 20.11 of Chapter 2 of the Medicare

Managed Care Manual, including contact with the provider or provider's office, remain in effect and applicable to all C-SNP plans. If CMS approves an organization's proposal for an alternative approach, use of that mechanism would begin when agreed upon by CMS for the organization that submitted the proposal, and would not apply retroactively.

Clarification of C-SNP Marketing Requirement:

CMS is also taking this opportunity to clarify that when marketing C-SNPs to prospective enrollees, marketing staff must discuss with potential enrollees that disenrollment will occur if verification of eligibility for the C-SNP cannot be obtained. CMS strongly recommends that C-SNPs include the following statement in its C-SNP marketing presentations: "[product name] is only for Medicare beneficiaries with [insert condition(s)], and [product name] is required to check and make sure that all new members have [insert condition(s)]. People who join [product name] and do not have [insert condition(s)], must be disenrolled."

If you have questions regarding this memorandum, please contact Judith Sutcliffe at 410-786-1159 or via e-mail at Judith.Sutcliffe@cms.hhs.gov