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Medicare Advantage Special Needs Plans: Overview Of Law And Regulations

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Special Needs Plans are Medicare Advantage Plans

- Added by Medicare Prescription Drug, Improvement and Modernization Act of 2003
 - Authorization expires at the end of 2008
- SNPs provide *Medicare* benefits for three “special needs” populations
 - Institutionalized individuals
 - Dual eligibles
 - Individuals with severe or disabling chronic conditions

Differences from Other Medicare Advantage Plans

- SNPs disproportionately enroll or limit enrollment to the designated population or even a subpopulation
- SNPs must provide prescription drug coverage
- SNPs serve populations that are not subject to the “lock-in” rules

What are the Requirements for SNPs?

- Must be a MA Coordinated Care Plan
 - HMO or a PPO
 - Not a private fee-for-service plan or MSA
- Must offer Medicare A, B and D benefits
- Must indicate on application that want to be a SNP and answer limited questions
- Must describe their model of care

What are the Requirements for SNPs?

- Must be designated by CMS, as determined on case-by-case basis, as meeting SNP requirements. Criteria include:
 - Appropriateness of target population
 - Existence of clinical programs or special expertise to serve target population
 - Whether plan discriminates against sicker members of the target population

What are the Requirements for SNPs?

- To date, no regulations concerning either
 - What is needed to be approved as a SNP or
 - What is needed to continue to function as a SNP
- Most guidance to date concerns enrollment and marketing activities

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**MEDICARE ADVANTAGE SPECIAL
NEEDS PLANS:**

A Beneficiary's Perspective

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