

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



## **CENTER FOR BENEFICIARY CHOICES**

---

**DATE:** August 10, 2006

**TO:** Medicare Advantage Organizations

**FROM:** Anthony Culotta, Director  
Medicare Enrollment & Appeals Group

**SUBJECT:** Permissible enrollment subsets for dual eligibles enrolled in Special Needs Plans

Beginning with contract year 2008, Special Needs Plans (SNPs) may target enrollment of dual eligibles based on integration with State Medicaid efforts. Previously we permitted SNPs to target enrollment of dual eligibles based only on whether they were full benefit dual eligibles versus partial benefit dual eligibles.

Our revised policy would permit SNPs to limit enrollment to groups of dual eligibles who are receiving their care under a Medicaid program, provided that the enrollment limitations parallel the structure and care delivery patterns of the Medicaid program, which is integrated with that being furnished with the SNP under Medicare. For example, if a State Medicaid Agency contracts with a plan for a Medicaid wraparound package for certain dual eligibles (such as disabled individuals), an MA organization may establish a SNP that limits enrollment to that same subset of dual eligibles.

CMS will provide further guidance to SNPs on allowable subsets and the associated reporting and approval process as part of the 2008 application process. We are committed to continue working with SNPs and State Medicaid Agencies to make use of the SNP option to offer improved benefits and value to the dual eligible population.

If you need further information, please contact Mike Fiore at 410-786-0623.