

MEMORANDUM

TO: Current and Applicant Medicare Advantage Organizations for Contract Year 2006

FROM: Patricia Smith, Director, Medicare Advantage Group

RE: Revised Timeline and New Window of Opportunity for MA 2006 applicants to submit a Special Needs Plan Proposal

DATE: April 29, 2005

This communication provides Medicare Advantage applicants (both local and regional) for contract year 2006 with new information that expands the timeframe in which they may submit 2006 Special Needs Plan (SNP) proposals. **CMS is re-opening the window for current and applicant MA organizations to submit a SNP proposal if the MA meets the criteria set forth in this memorandum.** We are providing this flexibility for your organization to ensure that as many beneficiaries as possible have the option to select a SNP in 2006. In order for CMS to offer this flexibility and maintain the fairness and integrity of the MA program, CMS is only able to offer this extended deadline for 2006 contract year SNP plans.

Section 231 of the Medicare Modernization Act identifies Special Needs Plans as any coordinated care plan that serves special needs individuals who are institutionalized, entitled to medical assistance, or who could benefit from such a plan because they have a severe or disabling chronic condition. SNPs may serve a target population exclusively or disproportionately. For further guidance on SNP plans, please refer to the Q & As on the CMS web site at [www.cms.hhs.gov/healthplans](http://www.cms.hhs.gov/healthplans).

The new deadline for 2006 MAO applicants who wish to submit a new SNP proposal is **May 16, 2005**. MAOs may not amend SNP proposals that have been filed previously with CMS.

CMS will accept SNP proposals from MA organizations based on the following criteria:

1. The organization has an existing MA contract or submitted a local or regional Coordinated Care Plan (CCP) application to become an MA organization on or before March 23, 2005.
2. The service area for the SNP proposal is the same as that of the approved service area or the service area proposed in the CCP application.

3. The formulary submitted for the new SNP must be the same as that submitted by the MAO by April 22, 2005.
4. The A/B and D bids for the SNP are uploaded by June 6, 2005.
5. The MA SNP proposal meets all requirements for SNP plans as outlined in the regulation and CMS guidance.
6. The SNP proposal must be for a plan that begins January 1, 2006.
7. All three categories of SNP proposals may be submitted, including: dual eligible, institutional, and those targeted to beneficiaries with severe or disabling chronic conditions.
8. MAOs wishing to take advantage of passive enrollment must submit to CMS their proposals for how these criteria will be met no later than June 6, 2005. We strongly encourage organizations that are submitting new SNP proposals to submit the required passive enrollment information in the new SNP proposal that is submitted by May 16 in order to enable us to process all submissions in a timely manner. Passive enrollment criteria are set forth in the Call Letter dated April 15, 2005 on pages 9 and 10 at [www.cms.hhs.gov/healthplans](http://www.cms.hhs.gov/healthplans).

**Please send two (2) hard copies of your new 2006 SNP proposal to:**

**Centers for Medicare and Medicaid Services  
7500 Security Boulevard, MS C4-23-07  
Baltimore, MD 21244-1850  
Attn: Sandra Bastinelli**

**Please also submit an electronic copy via email to: [Sandra.bastinelli@cms.hhs.gov](mailto:Sandra.bastinelli@cms.hhs.gov)**

It is our hope that this revised timeline for submission of 2006 SNP proposals will allow current and applicant MA organizations maximum opportunity to accommodate special needs beneficiaries in their health plan options and simultaneously meet other MA requirements. We thank you for serving the special needs individuals and look forward to working with you to ensure quality beneficiary outcomes. Please contact Sandra Bastinelli at 410-786-3630 or by email at [sandra.bastinelli@cms.hhs.gov](mailto:sandra.bastinelli@cms.hhs.gov) if you have any questions about this memorandum.

In addition, if you have a pending MA/MA-PD application, please refer to the memorandum dated April 25, 2005, regarding newly announced timeline flexibilities for local plans in meeting MA application deadlines.