

State Medicaid Agency Contract Resource Guide

The State Medicaid Agency Contract (SMAC) is a contract that the Dually Eligible Special Needs Plans (D-SNP) must have with Illinois Department of Healthcare and Family Services (HFS) to operate in Illinois. There are a minimum set of requirements that must be included in the contract for a plan to be considered a D-SNP. Other requirements that can be included are those that require a D-SNP to be a Fully Integrated D-SNP plan (FIDE) or a Highly Integrated D-SNP (HIDE). Based on Illinois having committed to adopting Fully Integrated FIDE D-SNPs, below are the requirements that we expect to be included in Illinois' SMAC.

- **Default enrollment:** Allow a person currently enrolled in an MCO plan to be automatically enrolled in an affiliated D-SNP plan under the same parent company.
- **Selectively contract with D-SNPs or Medicaid Managed care plans that offer alignment:** Contract only with D-SNP plans whose parent company has a Medicaid managed care plan. This leads to plans having Exclusively Aligned Enrollment.
 - **Exclusively Aligned Enrollment:** Only allow enrollment into D-SNP plans where the parent company has a Medicaid managed care plan, with fully integrated enrollee materials, single ID cards, and a unified grievances and appeals process.
- **Contract directly with D-SNPs to cover Medicaid benefits:** Medicaid benefits must be covered by the same legal entity of the D-SNP plan.
- **Long Term Services and Supports (LTSS) and Behavioral Health Coverage:** A FIDE D-SNP must provide coverage for LTSS and Behavioral Health

In addition to the FIDE D-SNP requirements, states can include requirements that can provide more integration. Below are definitions of other strategies that we can advocate for Illinois to include in their SMAC to improve integration.

- **Require a deeming period:** States can require or allow D-SNPs to permit enrollees to stay in the D-SNP plan when they lose Medicaid benefits. D-SNPs can have a deeming period from 1 to 6 months.
- **Require enhanced care coordination methods:** Incorporate specific care coordination requirements, including Medicaid requirements of care coordination.
 - *Example:* require that D-SNPs train care coordinators in Medicaid benefits.
- **Require a continuity of care transition period:** The length of time that an enrollee can see out-of-network providers after enrolling in the D-SNP.
 - *Example:* In California, new D-SNP enrollees have a 12-month continuity of care transition period.
- **Require D-SNPs to send data to the state for oversight purposes:** Require that data or reports be submitted to the state for oversight of operations and quality of care.
 - *Example:* Submitting service use data, quality measures, and financial reports to see what Medicare and Medicaid services are being used and identify areas for improvement or enhanced care coordination.
- **Require State review of D-SNP materials related to Medicaid benefits:** Require D-SNPs to submit marketing materials for state review. This is to have consistency in Medicaid benefit descriptions and instructions among various D-SNPs.

- **Require contracting with community agencies:** Require D-SNP plans to partner with community agencies and existing service networks.
 - *Example:* Ohio's SMAC includes the requirement to partner with Area Agencies on Aging (who also serve as care coordination units) to access care coordination for LTSS.
- **Partner with D-SNPs to develop supplemental benefits packages that complement Medicaid benefits:** D-SNPs have the ability to allocate more money to covering supplemental benefits due to Medicaid covering Medicare cost sharing. Can target benefits that will complement benefits that Medicaid already covers as to not provide duplicate services.
 - *Example:* can cover adult day care services, home based palliative care, in-home supportive services, home and bath safety devices, transportation, over the counter, home delivered meals, pest control services, indoor air quality equipment, structural home modification.
- **Require service alignment:** States can require that D-SNPs and Medicaid managed care with the same parent company cover the same service area.