



Medicaid and CHIP Managed Care Notice of Proposed Rule Making
(CMS 2390-P)
Improving the Beneficiary Experience

May 26, 2015

Today, the Centers for Medicare & Medicaid Services (CMS) proposed to modernize Medicaid and Children's Health Insurance Program (CHIP) managed care regulations to update the programs' rules and strengthen the delivery of quality care for beneficiaries. This proposed rule is the first major update to Medicaid and CHIP managed care regulations in more than a decade. It would improve beneficiary communications and access, provide new program integrity tools, support state efforts to deliver higher quality care in a cost-effective way, and better align Medicaid and CHIP managed care rules and practices with other sources of health insurance coverage. Overall, this proposed rule supports the agency's mission of better care, smarter spending, and healthier people.

Improving the Beneficiary Experience

Improving Access

To strengthen network adequacy and to support access to care, the proposed rule would direct states to establish network adequacy standards in Medicaid and CHIP managed care for key types of providers, while leaving states flexibility to set the actual standards. Under the proposed rule, states would:

- Assess and certify the adequacy of a health plan's provider network at least annually and when there is a substantial change to the program design (e.g., new population, benefits, service area, etc.);
- Develop and implement time and distance standards for primary and specialty care, behavioral health, OB/GYN, pediatric dental, hospital, and pharmacy providers if covered under the managed care contract; and
- Develop and implement network adequacy standards for managed long term services and supports programs that include criteria for providers who travel to the enrollee to provide services.

Modernizing Communications

This proposed rule would update the methods available to states and Medicaid and CHIP managed care plans to communicate with beneficiaries. Specifically, CMS proposes to:

- Permit states and health plans to use a range of electronic communication methods, including email, texts, and website posting for the dissemination of required information, while ensuring that paper materials are available as requested;
- Ensure that enrollee materials (such as provider directories, member handbooks, appeal and grievance notices, and other informational notices) include taglines in each prevalent

non-English language explaining the availability of written materials in those languages as well as oral interpreter assistance if requested. A large print tag line would also be required to reflect the availability of the materials in alternative formats; and

- Include additional information in the provider directory (such as provider's group/site affiliation, website URL and physical accessibility for enrollees with physical disabilities) as well as certain information about the plan's drug formulary.

Improving Care Coordination and Management

To improve health outcomes and beneficiaries' overall care experience, the proposed rule would set standards for care coordination, assessments, and treatment plans. CMS proposes that Medicaid and CHIP managed care plans coordinate and facilitate transition of services between settings of care, make every effort to complete an initial health risk assessment within 90 days of enrollment for all new beneficiaries, and that enrollees with special health care needs and/or using long term services and supports receive an assessment and treatment plan that is regularly updated.

Enrollment

While the Social Security Act establishes requirements for beneficiary disenrollment from Medicaid managed care plans, there are few minimum Medicaid requirements for the enrollment process. The proposed rule would establish a 14-day plan selection period to allow beneficiaries time to research and assess managed care plan options in order to select a managed care plan that best suits their needs. The rule also proposes standards for consistent informational notices to beneficiaries and use of default enrollment processes. For CHIP, the proposed rule sets standards for states that assign a child to a plan when the family does not pick one.

Choice Counseling

The proposed rule would require states to provide choice counseling services for any new enrollee or for enrollees when they have the opportunity to change enrollment. Choice counseling is the provision of unbiased information on managed care plan or provider options and answers to related questions for Medicaid beneficiaries. Access to personalized assistance—whether by phone or in person—to help beneficiaries understand the materials provided by the health plans or the state, to answer questions about each of the options available, and to facilitate enrollment with a particular health plan or provider is an essential enrollment tool and can help enrollees select the plan that best meets their needs. This is particularly true for enrollees in need of or utilizing long term services and supports, given their complex health care needs and frequent reliance on ongoing critical support services.

The proposed rule is available at <https://www.federalregister.gov/public-inspection> and can be viewed at <https://www.federalregister.gov> starting June 1. The deadline to submit comments is July 27, 2015.

For more information, visit <http://medicaid.gov/medicaid-chip-program-information/by-topics/delivery-systems/managed-care/managed-care-site.html>.