

106 CERTIFICATION OF MEDICARE ADVANTAGE ORGANIZATIONS SERVING DUAL ELIGIBLE MEMBERS

EFFECTIVE DATES: 11/01/12, 06/01/15, 10/01/18

REVISION DATES: 05/12/15, 06/07/18

I. PURPOSE

This Policy applies to AHCCCS Complete Care (ACC), ALTCS/EPD, and RBHA Contractors. This Policy outlines the steps necessary for a Contractor's affiliated Medicare Advantage Organization (MAO) to obtain state certification by AHCCCS.

II. DEFINITIONS

AFFILIATED ORGANIZATION

A party that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with or of an entity.

CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS)

An organization within the United States Department of Health and Human Services, which administers the Medicare (Title XVIII) and Medicaid (Title XIX) programs, and the State Children's Health Insurance Program (Title XXI).

DUAL ELIGIBLE MEMBER

A member enrolled with an AHCCCS Contractor for full Medicaid services who is also a Medicare beneficiary. These persons are considered full *dual* eligible members. A full dual eligible member does not include persons who are members of the Medicare Cost Sharing populations: Qualified Medicare Beneficiary only (QMB only), Specified Low-income Medicare Beneficiary only (SLMB only) or Qualified Individual-1 (QI-1).

DUAL ELIGIBLE SPECIAL NEEDS PLAN (D-SNP)

A type of health benefits plan offered by a CMS-contracted MAO that limits its enrollment to those beneficiaries who are entitled to both Medicare (Title XVIII) program covered health benefits and full Medicaid (Title XIX) program covered health benefits.

EQUITY PER MEMBER

Net assets that are not designated or restricted for specific purposes divided by the number of Medicare Advantage Dual Eligible Members. Refer to the ACOM Policy 305 for further clarification.

MEDICARE ADVANTAGE

The Medicare managed care program (Part C) as administered by CMS.

MEDICARE ADVANTAGE ORGANIZATION (MAO)	A public or private entity organized and licensed or authorized by a State as a risk-bearing entity (with the exception of provider-sponsored organizations receiving waivers) that is certified by CMS as meeting the Medicare Advantage contract requirements.
MEDICARE ADVANTAGE CONTRACT YEAR	CMS Medicare Advantage program contracts with each approved MAO for a one-year term beginning January 1 and ending December 31 of each calendar year.
PERFORMANCE BOND	A surety instrument that provides a financial guarantee to AHCCCS in an amount of one month's capitation or an established amount per enrolled member. Refer to the ACOM Policy 305 for further clarification.
STATE CERTIFICATION REQUEST FORM	A Form required by CMS to be completed by the applicable State agency (either AHCCCS or the Arizona Department of Insurance) authorized to attest that a Medicare Advantage Organization (MAO) applicant's status as a public or private entity organized and licensed by the State as a risk-bearing entity. The Form is included in the annual Medicare Advantage application as published by the federal Centers for Medicare and Medicaid Services (CMS). The executed Form is to be returned to the Medicare Advantage applicant prior to CMS' due date for Medicare Advantage applications. See Attachment A of this Policy.

III. POLICY

A. CERTIFICATION REQUIREMENTS

State certification is required as part of the CMS Medicare Advantage application. Under Arizona State Law, certification of Contractors serving persons who are eligible for Medicaid, including Dual Eligible Members, can be completed by AHCCCS or by the Arizona Department Of Insurance (DOI), except as listed below.

Contractors are required to obtain certification by DOI when:

1. Also serving Medicare only beneficiaries in addition to Dual Eligible Members, and
2. Applying to become a Medicare Part D stand-alone Prescription Drug Plan (PDP).

For Contractors having a State-contracted MAO offering a D-SNP that serves ALTCS E/PD program Dual Eligible Members enrolled in DES/DDD, such certifications can be issued to include this population.

AHCCCS will only provide certification in accordance with the requirements of this

Policy.

B. RESPONSIBILITIES FOR REQUESTING CERTIFICATION FROM AHCCCS

Contractors pursuing certification from AHCCCS as an MAO serving only Dual Eligible Members shall submit the CMS State Certification Request Form (see Attachment A) to the AHCCCS Division of Health Care Management (DHCM), Operations Compliance Officer for Medicare, no later than 30 calendar days prior to the date such certification form is required to be sent to CMS. The State Certification Request Form is included in, and can be obtained from, the annual Medicare Advantage application on the CMS website at www.CMS.gov.

In addition to, and in the same request and at the same time as the request for completion of the State Certification Request Form, the Contractor shall submit a Specific Plan of Action to AHCCCS for its review that includes the following information in narrative form:

1. Timing of the MAO start-up (coincident with the first proposed Medicare Advantage Contract Year start date).
2. GSA(s) that certification is being requested for.
3. Projected MAO enrollment for each proposed D-SNP at the first proposed Medicare Advantage Contract Year start date, and at the end of the first proposed Medicare Advantage Contract Year, by GSA(s).
4. Projected amount of, and description of, how separate MAO line of business Equity per Member requirements will be met at the first proposed Medicare Advantage Contract Year start date, and ongoing, in accordance with ACOM Policy 305.
5. Projected amount of, and description of, how separate MAO line of business Performance Bond requirements will be met at the first proposed Medicare Advantage Contract Year start date, and ongoing, in accordance with ACOM Policy 305.
6. Statement of understanding regarding ongoing, separate financial viability, monitoring and reporting requirements to be met by the MAO for each D-SNP offered to Dual Eligible Members as outlined in the appropriate contract and AHCCCS Financial Reporting Guide for Contractors for the line of business to which the MAO is an Affiliated Organization.

C. AHCCCS RESPONSIBILITIES IN PROCESSING CERTIFICATION REQUESTS

1. Within two weeks of receipt of a State Certification Request Form (see sample at Attachment A), DHCM will notify the requesting Contractor or affiliated MAO of the specific financial viability requirements and/or determine if additional information is necessary to review and approve the request.
2. Prior to the approval, DHCM will verify that the Contractor or affiliated MAO will be able to comply with specific Equity per Member and Performance Bond standards by obtaining a Specific Plan of Action narrative that includes information requested in Section B of this Policy.
3. Upon review and acceptance of the Contractor's proposed Specific Plan of Action, DHCM will forward a recommendation, and the completed State Certification Request Form, to the AHCCCS Office of the Director for signature.
4. DHCM shall promptly return the executed State Certification Request Form to the Contractor to be sent to CMS to continue as part of the Medicare Advantage application process.