



Dual Special Needs Plans (D-SNPs)

Value Proposition

August 2022

Overview

Dual Special Needs Plans (D-SNPs) are health plans that are available to the nation’s most vulnerable population – individuals who qualify for both Medicare and Medicaid.

Traditionally, individuals who are dually eligible must navigate Medicare and Medicaid separately. D-SNPs offer benefits and services that are specifically tailored to meet their unique needs. Such benefits include:

- Greater support accesses and navigating care
- Assistance coordinating between Medicare and Medicaid
- Enhanced benefits offering greater access to medical supplies
- Dental, vision and social supports
- Clinical programs designed to improve preventive care and chronic disease management



45 states
currently offer D-SNPs¹

Nearly **3.8M**
dually eligible beneficiaries
are enrolled in a D-SNP²

Nearly **12M** individuals
across the United States
qualify for these plans³

State Medicaid programs can work with D-SNPs to improve the care and experience for beneficiaries who are dually eligible. From sharing data to providing a fully integrated Medicare-Medicaid health plan, D-SNPs can be the vehicle to offer states:

- Avenues for additional benefits and services for dually eligible beneficiaries
- Lower costs
- Improved health outcomes
- Pathways to integrate care

 Individual Impact	<ul style="list-style-type: none">- Hospital Services (Medicare Part A)- Physician Services (Medicare Part B)- Prescription Drug Coverage (Medicare Part D)	<ul style="list-style-type: none">- “Model of Care” requirements- Tailored supplemental benefits- Coordination with Medicaid	<ul style="list-style-type: none">- One card- One network- One care coordinator- Integrated whole person care
 State Impact	Medicare FFS <ul style="list-style-type: none">- Inpatient, physician, and drug cost coverage for those who are dually eligible	D-SNP <ul style="list-style-type: none">- Medicare utilization data- Additional support through supplemental benefits- Medicare maximum out-of-pocket	Integrated D-SNP <ul style="list-style-type: none">- Cost-shifting reduction between programs- Pre-LTSS engagement support- Improved quality

Defining D-SNPs

Dual Special Needs Plans

D-SNPs are a type of Medicare Advantage plan made for individuals who are eligible for both Medicare and Medicaid.

Due to the often-complex nature of social, mental, and physical care needs for individuals who are dually eligible, D-SNPs can help centralize the care from the two programs and provide patient-focused care that is designed to be easier to navigate.

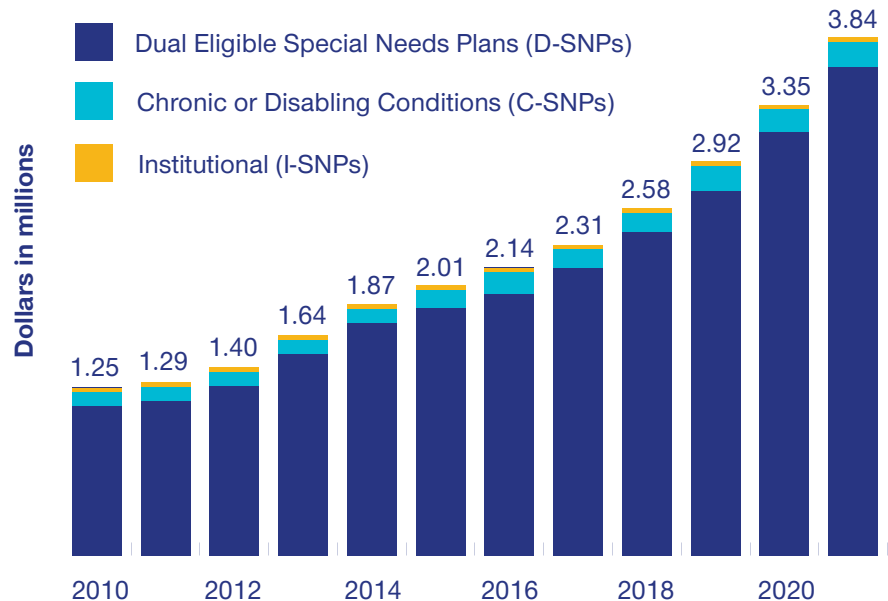
Dual Eligibility

Dual eligibility refers to an individual's eligibility to simultaneously enroll in both Medicare and Medicaid programs.

71% of individuals who are dually eligible receive full Medicaid benefits and are known as full duals.⁴

29% of individuals who are dually eligible only receive assistance through the Medicare Savings Programs (MSPs) and are known as partial duals.⁵ State Medicaid programs administer the MSPs.

Number of Beneficiaries in Special Needs Plans, 2010-2021



NOTE: Numbers may not sum to the total due to rounding.

SOURCE: KFF analysis of CMS Medicare Advantage Enrollment Files, 2010-2021

About Individuals who are Dual Eligible

Individuals qualify for both Medicare and Medicaid due to a combination of income, disabilities, age, and/or health conditions.

Individuals who qualify for D-SNPs derive from a variety of backgrounds and typically have complex medical and social needs, requiring a coordinated set of healthcare and social services.



Medical

- 62% manage multiple chronic conditions
- 64% have a mental health diagnosis



Geographic

- 79% live in an urban setting
- 17% have limited English proficiency



Social

- 38% have no high school diploma
- 35% own a computer
- 80% are unmarried
- 45% are food insecure⁶



Demographic

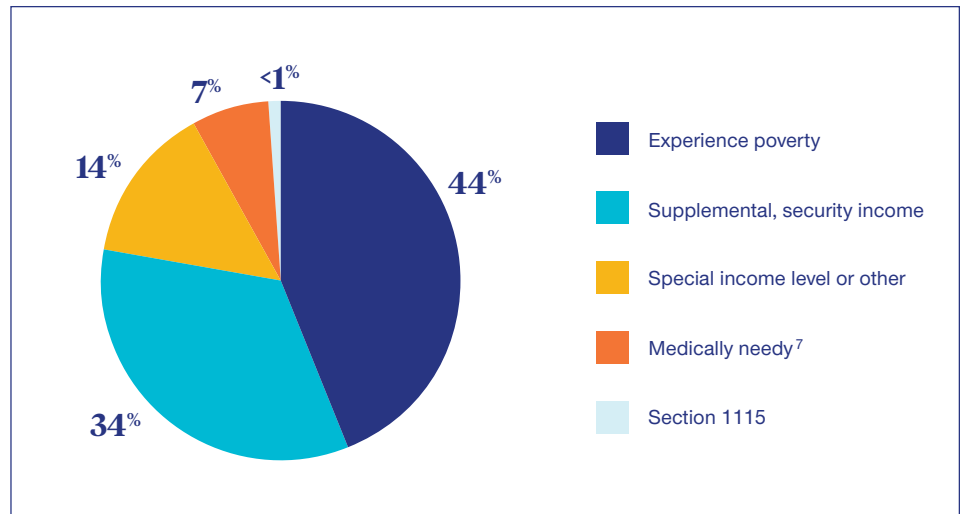
- 41% are under age 65
- 59% are aged 65+
- 62% are female
- 30% are Black or Hispanic

Many individuals who are dually eligible face hardships while navigating life and their health care, including struggling to afford healthy food and lacking transportation to make medical appointments.

Share of Dually Eligible Population by Medicaid Eligibility Pathways

Individuals who qualify for D-SNPs are heterogenous and dynamic with a diverse set of needs. The benefit of a D-SNP is that each plan can be tailored to meet the needs of the local population and align with state priorities.

When enrolled in a D-SNP, these individuals with varying levels of eligibility can have access to a simplified care coordination experience and a comprehensive benefits package. D-SNPs enable more integrated, effective care and continuity for this heterogenous, high-needs population and can assist in identifying health issues before they worsen.



This can include offering D-SNPs to individuals with varying levels of eligibility, including but not limited to:

- Partial duals
- Full duals
- LTSS eligible
- Non-LTSS individuals
- Aged, Blind, and Disabled (ABD)

Additional Benefits and Services

D-SNPs offer more benefits and services to members compared to the average Medicare Advantage plan and can be tailored to meet specific needs of a population. Individuals who are dually eligible can usually enroll for no monthly premium. That makes dual plans a low-cost choice for beneficiaries.

D-SNPs must meet extensive care coordination requirements, which are not applicable to non-SNP Medicare Advantage products, to assess comprehensive needs and to implement a person-centered care plan that offers timely and coordinated services.

D-SNPs have the potential to deliver enhanced coordination and integration of Medicare and Medicaid benefits which can improve the care experience and health outcomes for members.



D-SNPs can bring significant care benefits to a beneficiary, including:

- Additional services that address holistic needs
- Simplified care experience through coordination of delivery for Medicare and Medicaid benefits
- A reduction of unnecessary and duplicative services
- An improvement in health outcomes



The benefits reduce barriers to care by supporting:

- Social needs
- Personal needs
- Independent living
- Stretching members' limited dollars

D-SNPs can provide individuals with access to a wide range of additional benefits compared to an average Medicare Advantage.

Benefits:	Medicare Advantage Plan	D-SNP	
Hospital (Part A)	●	●	● Standard
Medical (Part B)	●	●	● Add-on
Prescription (Part D)	●	●	
Dental	●	●	
Vision	●	●	
Medical care	●	●	
Fitness	●	●	
Hearing aids	●	●	
Chiropractic	●	●	
Acupuncture	●	●	
Transportation	●	●	
Virtual visits	●	●	
24-hour NurseLine	●	●	
Personal Emergency Response System	●	●	
Post-discharge meal programs, with delivery options	●	●	
Foot care		●	
OTC supplies		●	
Adult day care		●	
Healthy food, with delivery options		●	
Non-emergent and social needs transportation		●	

The services covered by D-SNPs vary across states. D-SNPs can be tailored to the market in a specific area, based on factors such as population, access to resources, location, and climate.

Through supplemental benefits such as UnitedHealthcare's over the counter (OTC) and Healthy Food benefit, members can stretch their dollars to cover common everyday items that help them remain healthy.

OTC Top Products	Healthy Food Top Products
Nature's Bounty Fish Oil Omega-3 Softgels	Bananas
Luden's Wild Cherry Throat Drops	Whole Milk
Eucerin Advanced Repair Body Lotion	Roma Tomatoes
Equate Honey Lemon Cough Drops	Cucumber
Assurance Premium XL Disposable Washcloths	Bell Pepper
Dr. Teal's Pure Epsom Salt Therapeutic Soak	2% Milk
Colgate Max Fresh Toothpaste with Mini Breath Strips	Avocado
Gold Bond Ultimate Diabetics' Dry Skin Relief Lotion	18 Ct Eggs
New-Skin Liquid Bandage, 0.3 oz	Green Cabbage
Tylenol Extra Strength Caplets with Acetaminophen, 500 mg, 225 count	.5L Water



D-SNP Coordination and Integration

Given the heterogeneous demographic characteristics of the dually eligible population, integrated care models that incorporate both medical and social needs are critical. D-SNPs can achieve this through the variety of coordinated care benefits and integrated support systems offered in the program. D-SNPs have the potential to solve challenges for beneficiaries by improving Medicare and Medicaid program coordination while also aligning with state priorities.

Individuals who are dually eligible represent a diverse population, often with complex care needs, who are tasked with navigating Medicare and Medicaid separately. This can lead to an uncoordinated set of:

- Benefits
- Eligibility criteria
- Providers
- Cost sharing requirements

D-SNPs can coordinate care between Medicare and Medicaid to help solve these issues and can be tailored to be most appropriate for individuals with varying levels of eligibility and needs.

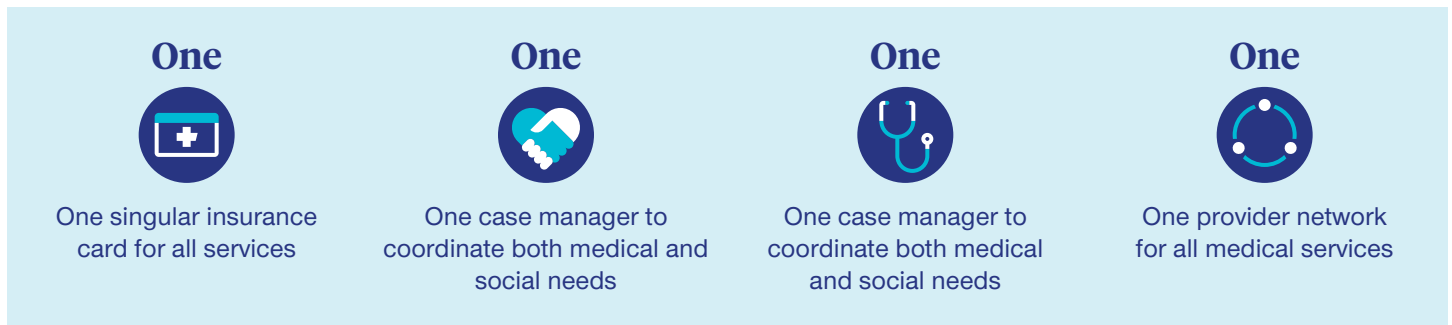
The Centers for Medicare & Medicaid Services (CMS) encourages states to provide integrated care, which they define as “provid[ing] the full array of Medicaid and Medicare benefits through a single delivery system in order to provide quality care for dual eligible enrollees, improve care coordination, and reduce administrative burdens.”⁸

D-SNPs are required by CMS to have a “Model of Care” that includes elements of care coordination and care management, including four components:⁹

1. SNP population description
2. Care coordination elements
3. Care provider network overview
4. Quality measurement and performance improvement

CMS grants D-SNPs additional benefit flexibility to offer non-primary health related benefits to the entire population based on a member’s low-income subsidy status (LIS). In contrast, Medicare Advantage plans only allow this benefit flexibility for members who meet select criteria for chronic illness.

Through an integrated D-SNP, one in which the state has elected to offer Medicaid benefits through the same health plan that offers the D-SNP Medicare benefits, beneficiaries can manage a more simplified and streamlined health care experience, including:



These streamlined processes allow the case manager to focus on the beneficiary’s holistic needs such as, the responsibility of:

- Providing transportation to appointments
- Managing home care duties
- Seeking out home health agencies

This helps ensure a more coordinated and integrated approach to care that improves the experience and health outcomes for the beneficiary.



Improving health outcomes:



Studies show that enrollees in integrated plans experience lower hospitalizations and readmissions.¹⁰

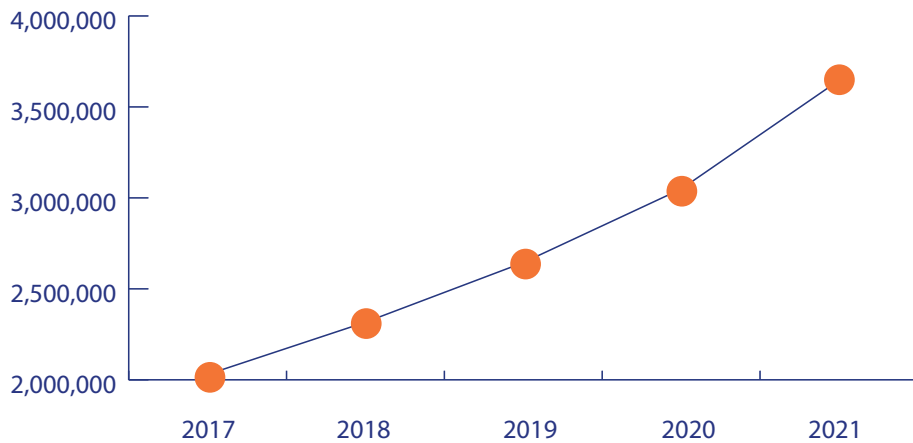


Enrollees with aligned Medicare and Medicaid plans experienced improved outcomes related to utilization of services and quality of care.¹¹

Benefits of integration for states:

Due to the growing D-SNP enrollment, states need solutions to better serve these unique beneficiaries while also considering the likely increase in costs.

Figure 1. D-SNP Enrollment Growth, 2017-2021



D-SNPs can bring significant benefits to a state by:

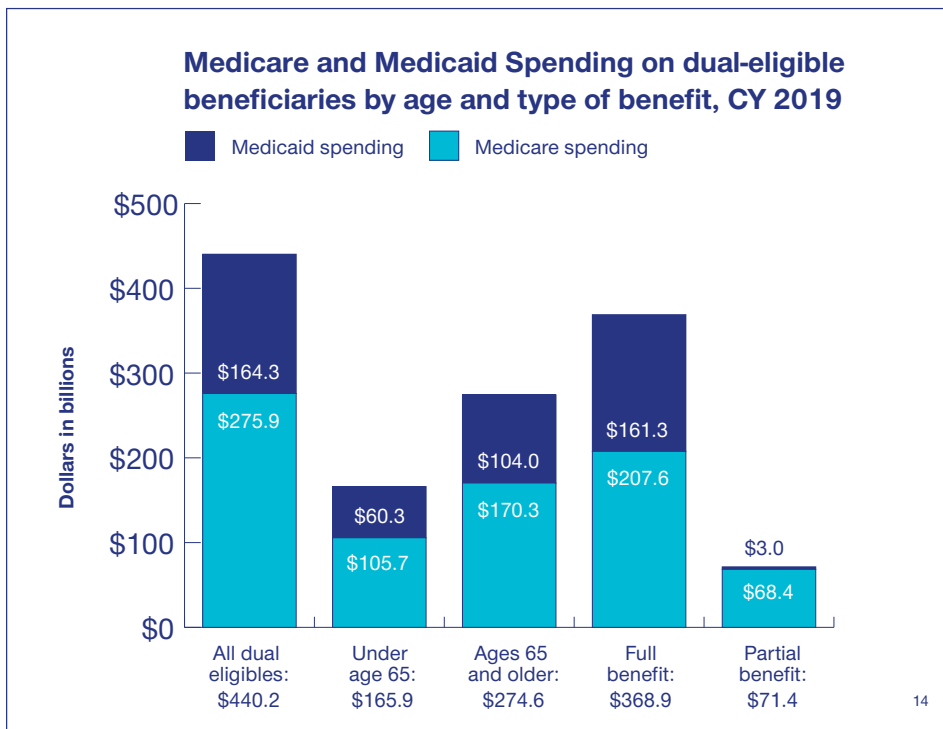
- Reducing unnecessary and duplicative services
- Reducing state program costs
- Streamlining administration
- Improving health outcomes and beneficiary satisfaction
- Providing a platform for advocacy and partnership with CMS

CMS can assist states with D-SNP design and implementation to ensure seamless, high-quality care while also making the program as cost-effective for the states as possible.

A state's role in a D-SNP is distinct compared to a basic Medicare Advantage plan. In a D-SNP, states can oversee:

- Development of program design
- Setting of regulations
- Monitoring of D-SNP performance
- Alignment with State Medicaid Agency Contracts (SMAC) requirements

SMACs are required contractual agreements between the state and D-SNPs that govern the program's structure and align with federal requirements. Without a SMAC, the D-SNP would not be able to operate in the market.



Helping states improve care while managing costs will be critical as the dual eligible population grows

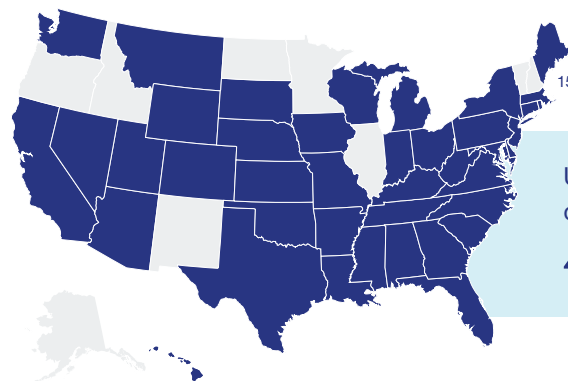
In 2019, Medicare and Medicaid spending on individuals who are dually eligible equated to \$440.2 billion.

- Individuals who are dually eligible and enrolled in Medicare make up 34 percent of all spending but only 19 percent of enrollees.
- Individuals who are dually eligible and enrolled in Medicaid make up 30 percent of spending but only 14 percent of enrollees.¹³

UnitedHealthcare's Commitment to D-SNPs

UnitedHealthcare is committed to helping serve the dually eligible population and currently offers plans in **42 states across the country**.

UnitedHealthcare is the market leader in offering D-SNPs and brings extensive experience in understanding the needs and challenges that arise while serving this complex population.



UnitedHealthcare
offers plans in
42 states

We are committed to engaging with a variety of partners to strengthen care for individuals who are dually eligible.

Our partners include:

- | | | |
|--------------------------------|--|--|
| - State leadership | - Community-based organizations (CBOs) | - Long-term services and supports (LTSS) industry groups |
| - Local advocacy organizations | - Managed care organizations (MCOs) | - State Health Insurance Assistance Programs (SHIPs) |
| - Provider groups | - Patient advocates | |
| - Caregivers | | |

Sources

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