National
MLTSS
Health Plan Association

November 2025

Gary Bacher
Director
Medicare-Medicaid Coordination Office
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Director Bacher,

The MLTSS Association represents managed care organizations (MCOs) that have Medicaid managed care contracts with one or more states and take risk for long-term services and supports (LTSS), including home and community-based services (HCBS), provided under Medicaid.[1] MLTSS Association members are also leaders in integrated care, a system that aligns the delivery, payment, and administration of Medicare and Medicaid benefits for individuals who are dually eligible for both programs.

We are writing to highlight an operational issue in state Medicaid policy affecting integrated Dual-Eligible Special Needs Plans (D-SNPs) that are Applicable Integrated Plans (AIPs), where timing gaps in enrollment can delay alignment with an individual's Medicaid plan. These gaps may cause temporary coverage misalignment, member confusion, and risk plans' compliance with CMS AIP requirements, which require applicable D-SNPs to operate with exclusively aligned enrollment (EAE), such that all enrollees also receive Medicaid benefits covered by the same entity or parent organization[2].

Background

Integrated D-SNPs are designed to coordinate Medicare and Medicaid benefits for individuals eligible for both programs. Integration is achieved when a dually eligible individual's Medicare and Medicaid services are coordinated by a single entity or parent organization. To facilitate integration, an enrollment change may be required to ensure that an individual enrolled in a Medicaid managed care organization (MCO) is also enrolled in an affiliated D-SNP; known as aligned enrollment. When an individual elects to enroll in a D-SNP, Medicare coverage generally begins on the first day of the next month. In Medicaid, however, the effective date of an enrollment change would depend on the timing of the enrollment request relative to the state's monthly managed care enrollment cut-off dates. In some states, if an individual changes their D-SNP election after a certain date, their coverage will be delayed an extra month. For example, in states where the Medicaid enrollment cut-off date is the 15th of the month, a D-SNP enrollment change requested on September 18th will be effective on October 1st,

[1] Members include Aetna, AlohaCare, AmeriHealth Caritas, CareSource, Centene, Commonwealth Care Alliance, Elevance Health, Florida Community Care, Humana, LA Care, Molina Healthcare, Neighborhood Health Plan of Rhode Island, VNS Health, UnitedHealthcare, UPMC Community Health Choices
[2] 42 CFR 422.561

but a Medicaid enrollment change requested on the same date will not be effective until November 1st, resulting in coverage misalignment for impacted dually eligible individuals for a full calendar month. This misalignment creates member confusion and operational challenges that ultimately undermine efforts to achieve EAE for dually eligible individuals. Thus far, the MLTSS Association has identified instances of this experience in California, Delaware, Texas, and Virginia.

Implications

Coverage Lag: Individuals enrolling into a Medicaid MCO that is aligned with their selected D-SNP after the state's Medicaid enrollment cut-off date may experience an extended lag before their Medicare and Medicaid plan coverage is aligned.

Member Confusion: During the coverage lag, members may receive conflicting or misleading information from their new D-SNP and their existing Medicaid plan regarding provider networks, access to services, care coordination contacts, and grievance and appeals procedures. This miscommunication can create significant barriers and gaps in care, particularly for individuals with complex medical needs or those receiving long-term services and supports (LTSS). Additionally, care coordination will not be fully integrated during this period, limiting the new plan's ability to conduct comprehensive health assessments, develop timely care plans, and ensure smooth transitions of care.

Plan Compliance Risk: If integrated D-SNPs cannot effectively coordinate Medicaid benefits in a timely manner due to enrollment lags, D-SNPs may face challenges in meeting CMS requirements for AIP status. Extended misalignment or repeated delays could jeopardize a plan's compliance and ability to maintain its integrated designation.

Recommendations

Recommendation 1: Clarify that D-SNPs will not be penalized for temporary AIP noncompliance resulting from state Medicaid enrollment delays beyond their control.

Recommendation 2: Issue guidance to states on streamlining Medicaid and D-SNP enrollment timelines for dually eligible individuals. This would not only support EAE but also reduce member confusion and ensure seamless, uninterrupted coverage.

Recommendation 3: Offer technical assistance to states on implementing mechanisms that allow Medicaid enrollment adjustments for dually eligible D-SNP individuals after monthly cut-off dates.

State-focused Recommendations:

The MLTSS Association recommends that states also take action to address these enrollment challenges. CMS can encourage states to implement strategies to mitigate enrollment gaps, including:

- Removing or delaying enrollment cut-off dates in some states;
- Encouraging earlier enrollment processing;
- Using reconciliation to ensure integrated benefits commence on the Medicare effective date; and
- Implementing manual processes to support timely disenrollment from other managed care organizations or from fee-for-service Medicaid.

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Conclusion

Addressing misalignments in Medicaid and D-SNP enrollment is essential to ensure that dually eligible individuals receive integrated care without disruption. By issuing guidance or providing technical assistance to states on streamlining enrollment processes, CMS can help prevent coverage interruption, reduce member confusion, and support plans in maintaining compliance with AIP requirements. These actions reinforce CMS' commitment to delivering integrated, high-quality care for dually eligible individuals.

If you have any questions, please contact me at mkaschak@mltss.org.

Sincerely,

Mary Kaschak
Chief Executive Officer