

Recommended State Medicaid Agency Contract (SMAC) Development Timeline

Overview

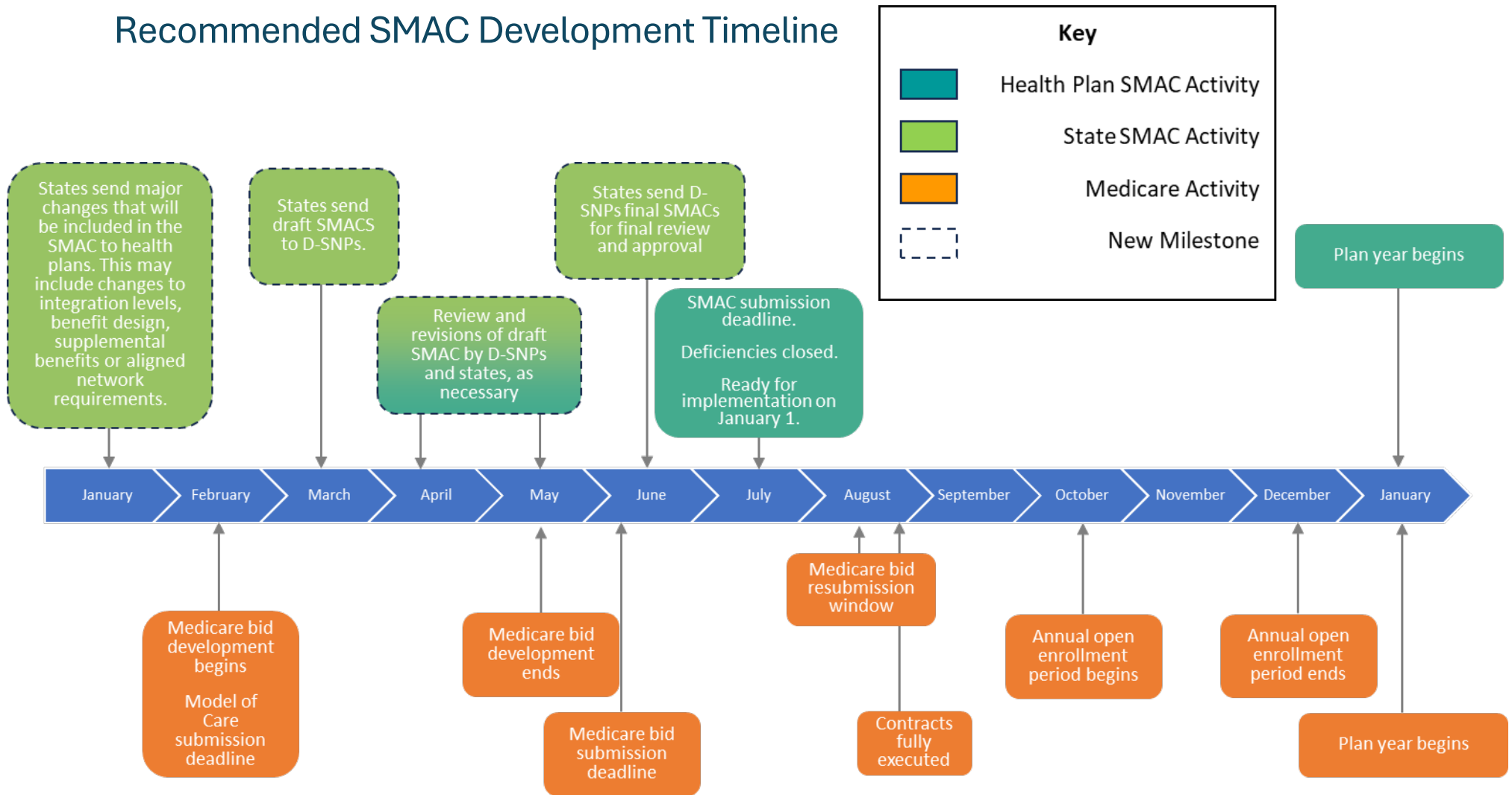
State Medicaid Agency Contracts, or SMACs, are contracts between states and Medicare Advantage Organizations (MAOs) operating Dual Eligible Special Needs Plans (D-SNPs) – a type of Medicare Advantage (MA) plan designed specifically for individuals who are eligible for both Medicare and Medicaid. D-SNPs are the only type of MA plan required to have a SMAC, due to the unique role that states play in the design and oversight of these plans.

The minimum integration requirements for the coordination of Medicaid and Medicare benefits that must be included in SMACs are set by the [Federal government](#). However, states have the flexibility to include additional requirements in their SMACs to further the state's integration goals.

In order to operate, D-SNPs must develop and execute their SMACs on an annual basis, a process that requires significant coordination between state Medicaid agencies and health plans. D-SNPs must also adhere to annual MA contracting processes in accordance with Federal requirements. Often, these processes are not aligned, causing a range of operational, regulatory, and programmatic issues for D-SNPs.

In an effort to support health plans, state Medicaid agencies and CMS, **The National MLTSS Health Plan Association** (MLTSS Association) and the **Special Needs Plan Alliance** (SNP Alliance) have developed a recommended SMAC Development Timeline that combines annual Medicare and Medicaid contracting requirements into one process. This timeline provides states and health plans with sufficient time to draft, refine, and finalize their SMACs, while also supporting D-SNPs' ability to adhere to annual Medicare deadlines. This timeline is not meant to be prescriptive – instead, we believe that this recommended timeline can provide a foundation for successful D-SNP contracting and can be modified as necessary to meet states' individual needs.

Recommended SMAC Development Timeline



Rationale

Below, we outline our rationale for the milestones included in the Recommended SMAC Development Timeline. Many of these deadlines are set in statute and cannot be changed.

Milestone 1: States send major changes that will be included in the SMAC to health plans. This may include changes to integration levels, benefit design, supplemental benefits or aligned network requirements.

- **Date:** January (the year prior – e.g.: January 2025 for the Plan Year beginning in January 2026)
- **Responsible Party:** States
- **Rationale:** Having states send major intended changes that will be included in the SMAC to D-SNPs will provide health plans sufficient time to include these changes in their bid submissions. This timeline also allows states additional time, through March, to incorporate these changes into their draft SMACs.
 - Currently, there are states that prefer to begin this process earlier than January, and this timeline does not prevent or discourage that.

Milestone 2: States send draft SMACs to D-SNPs. Drafts are informed by historical SMACs and discussions between the state and health plan.

- **Date:** March
- **Responsible Party:** States
- **Rationale:** Having states send their draft SMACs to D-SNPs in March will provide both D-SNPs and their state partners sufficient time to review and revise the document before the SMAC submission deadline in July.
 - Currently, there are states that prefer to send their draft SMACs to health plans before March, and this timeline does not prevent or discourage that.

Milestone 3: Review and revisions of draft SMAC by D-SNPs and states, as necessary

- **Date:** April through May
- **Responsible Party:** States and D-SNPs

- **Rationale:** Three months for review and revision of SMACs should provide sufficient time to address any issues and to align the content of the SMAC with a D-SNP's bid submission. This timeline is intended to prevent last-minute issues from arising shortly before the SMAC submission deadline.

Milestone 4: Medicare Advantage bid submission deadline

- **Date:** First Monday in June
- **Responsible Party:** D-SNPs
- **Rationale:** This deadline is set in statute

Milestone 5: States send D-SNPs final SMACs for final review and approval

- **Date:** Mid-June
- **Responsible Party:** States
- **Rationale:** This is the final step in the SMAC review and revision process, before the SMACs are submitted in July. Setting a deadline in mid-June to finalize the SMACs minimizes risks of last-minute changes. This timeline also allows for ample time to coordinate signatures of the final SMACs.

Milestone 6: SMAC submission deadline; Deficiencies closed; Ready for implementation on January 1

- **Date:** First Monday in July
- **Responsible Party:** D-SNPs
- **Rationale:** This deadline is set in statute

Milestone 7: Contracts fully executed

- **Date:** August 31st
- **Responsible Party:** D-SNPs/CMS
- **Rationale:** After D-SNPs submit their bid submissions to CMS, CMS goes through a thorough review. At the completion of the review process, CMS approves the bids for the upcoming plan year.