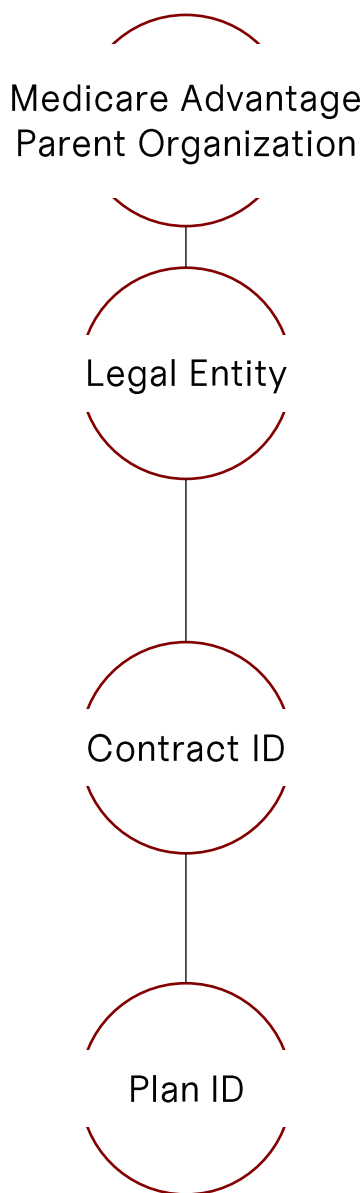


Contract Organizational Structures Following the Transition of the MMP

About the Issue

→ Medicare-Medicaid plans (MMPs) typically use a straightforward contract organizational structure that differs from the approach used in the Medicare Advantage and Dual Eligible Special Needs Plan (D-SNP) program. **It's important that transitioning MMP states understand Medicare Advantage contract organizational structure and how it influences a state's integrated program design.**



A Medicare Advantage Organization (MAO) is the “parent” company holding a contract with CMS to serve Medicare beneficiaries across many different insurance product types, including HMO, PPO, MSA, and other product types. There are nearly 200 MAOs nationwide.

An MAO often has multiple legal entities, and a single MAO legal entity can include multiple product types (e.g., HMO, PPO). Some MAOs use a different legal entity in each state they operate in, while others use a single legal entity across states. There are nearly 600 legal entities nationwide.

Why legal entity matters to states:

- FIDE SNPs are required to use the same legal entity for their Medicare product and their Medicaid product

An MAO legal entity might have multiple contract IDs within it and there are nearly 800 contract IDs nationwide.

Why contract ID matters to states:

- Star ratings occur at a contract ID level, without differentiation by geography
- Medicare network adequacy review occurs at a contract ID level in individual counties
- States requiring exclusively aligned enrollment in their D-SNPs can require those D-SNPs to have a unique contract ID, not shared with other, non-D-SNP products within a legal entity

Within a single contract ID, an MAO might have many plan IDs comprising different product types such as D-SNPs, C-SNPs, I-SNPs, and other Medicare Advantage products.

Why plan ID matters to states:

- Plan benefit packages (PBPs) are filed at a plan ID and county level
- D-SNPs exist at the plan ID level