

## **Medicare Advantage: Special needs plans**

**ISSUE:** The Congress created a new Medicare Advantage (MA) plan type known as a special needs plan (SNP) in the Medicare Prescription Drug, Improvement, and Modernization Act. Unlike other MA plans, they are allowed to limit their enrollment to their targeted populations, which are dual (Medicare and Medicaid) eligibles, the institutionalized (or nursing home certifiable), and beneficiaries with severe or disabling chronic conditions. The authority for SNPs to limit their enrollment to targeted populations is scheduled to expire December 2008.

**KEY POINTS:** We will describe SNP characteristics, present data on the growth in the number of and enrollment in SNPs, and discuss draft recommendations.

**ACTION:** Commissioners should consider the draft recommendations.

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