MEDPAC Medicare Payment Advisory Commission

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November 25, 2008

Margaret E. O'Kane, President
National Committee for Quality Assurance
1100 13th Street, N.W., Suite 1000
Washington, DC 20005

Dear Ms. O'Kane:

The Medicare Payment Advisory Commission is pleased to submit comments on the proposed Special Needs Plans Requirements that were released for public comment by the National Committee for Quality Assurance (NCQA) and the Centers for Medicare & Medicaid Services (CMS) on October 27, 2008. Special needs plans (SNPs) offer the potential to improve care coordination for special needs beneficiaries through unique benefit design and delivery systems. However, the Commission is concerned that SNPs have too little oversight to ensure that they fulfill this promise. Because the Commission was concerned that SNPs did not originally report SNP-specific quality measures, we recommended that the Congress should require the Secretary to establish additional, tailored performance measures for special needs plans and evaluate their performance on those measures within three years. These measures should be in addition to other measures reported by all Medicare Advantage (MA) plans, including SNPs, which allow for comparisons among all MA plans regardless of plan type.

In general, we are pleased with both the measures that NCQA and CMS proposed in December 2007 to use to evaluate SNPs and the additional measures that they are proposing now. These measures will advance policymakers' ability to rigorously evaluate SNPs by comparing their performance to one another and to other MA plans. We offer a few technical comments on specific measures below.

SNP 4: Care Transitions

Element A: Managing Transitions
NCQA and CMS propose verifying that SNPs facilitate safe transitions from one care setting to another by assigning tasks to specific staff and having processes to document the completion of each task. To coordinate a common plan of care, the proposal states "The care plan should be tailored to each individual and take into consideration their health status." We suggest adding to the end of this sentence "and the presence or absence of social supports relevant to meeting the goals of the care plan."

SNP 5: Institutional SNP Relationship with Facility

Elements A, B and C: Monitoring and Maintaining Members' Health Status
NCQA and CMS propose verifying that institutional SNPs work with their contracted nursing facilities to monitor changes in their members' health needs and services provided to them. However, institutional SNPs may enroll beneficiaries who are nursing-home certifiable, but living in the community. We suggest that measures for institutional SNPs apply to all of their members, whether they reside in an institution or not. Institutional SNPs could comply with these measures by working through a contracted home health agency or other provider.

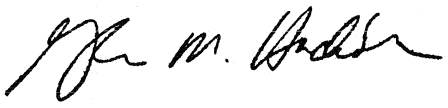
SNP 6: Integration of Medicare and Medicaid

Element A: Administrative Integration for Dual-eligible Benefit Packages
NCQA and CMS propose several factors to measure whether dual-eligible SNPs integrate Medicare and Medicaid benefits. They also propose exceptions, so that the SNP's compliance will be listed as "NA," if there is documentation that the state Medicaid agency does not allow the organization to have these responsibilities. The SNP may provide documentation of unsuccessful attempts to obtain agreement with the state in the form of "a letter to the state, proposed or enacted state legislation or regulations, or direct communication from the state." We suggest that only documentation of state action or response be acceptable. A letter or other communication from the SNP to the state would be insufficient indication of the state's willingness to coordinate with the SNP or lack thereof.

Finally, we note that while NCQA and CMS are proposing quality measures tailored to institutional and dual-eligible SNPs, they are proposing none specific to chronic condition SNPs. The Commission recommended that chronic condition SNPs be expected to serve beneficiaries with complex chronic conditions that influence many other aspects of health, have a high risk of hospitalization or other significant adverse health outcomes, and require specialized delivery systems. We also suggest that NCQA and CMS measure how well chronic condition SNPs monitor and maintain their members' health status, just as they propose to do for institutional SNPs.

We thank you for considering these suggestions.

Sincerely,



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Chairman

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