

# Insights

## CMS Proposes Medicaid Managed Care Revisions

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The Centers for Medicare & Medicaid Services ("CMS") published its proposed rule to update its standards and requirements for Medicaid managed care plans.

CMS notes that laws passed since the Medicaid managed care regulations were promulgated in 2002 have changed Medicaid to such an extent that the current regulations are no longer adequate. Accordingly, the proposed rule addresses many issues in order to bring the regulatory scheme in line with these changes, including: modernizing the Medicaid managed care regulations to reflect changes in the usage of managed care delivery systems; aligning the rules governing Medicaid managed care with those of other major sources of coverage, including coverage through qualified Health Plans and Medicare Advantage plans; implementing statutory provisions; strengthening the actuarial soundness of payment provisions to promote the accountability of Medicaid managed care program rates; promoting the quality of care; strengthening efforts to reform delivery systems that serve Medicaid and Children's Health Insurance Program ("CHIP") beneficiaries; ensuring appropriate beneficiary protections and enhance policies related to program integrity; requiring states to establish comprehensive quality strategies for their Medicaid and CHIP programs regardless of how services are provided to beneficiaries; implementing provisions of the Children's Health Insurance Program Reauthorization Act of 2009; and, addressing third party liability for trauma codes. See Proposed rule, 80 FR 31098, June 1, 2015, for further information.

If you have any questions or concerns, please feel free to contact Meghan M. Linvill McNab at [mmcnab@kdlegal.com](mailto:mmcnab@kdlegal.com).