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**DATE:** April 22, 2025  
**TO:** All Dual Eligible Special Needs Plans with Preferred Provider Organizations  
**FROM:** Kerry Branick, Deputy Director  
Medicare-Medicaid Coordination Office  
**SUBJECT:** Final Contract Year (CY) 2026 Standards for Part C Benefit Cost Sharing  
Standards for Certain Dual Eligible Special Needs Plans

This memorandum includes final cost sharing standards for Dual Eligible Special Needs Plans (D-SNPs) that have Preferred Provider Organizations (PPOs) that were not included in the Memo titled “Final Contract Year (CY) 2026 standards for Part C Benefits, Bid Review and Evaluation” released via the Health Plan Management System on April 16, 2025.

Beginning in CY 2026, regulatory changes at 42 CFR 422.100(o) will require out-of-network (OON) cost sharing for specific services to be tied to in-network cost sharing for those services. Table 1 below summarizes the standards and maximum permissible cost-sharing amounts by maximum out of pocket (MOOP) type under 42 CFR 422.100(o); CY 2026 plan benefit package submissions for D-SNP PPOs must reflect enrollee cost sharing for the specific OON services detailed below no greater than the amounts displayed below.

**TABLE 1: FINAL CY 2026 SERVICE CATEGORY COST-SHARING LIMITS FOR D-SNP PPO SERVICES**

| Service Category  | Plan Benefit Package Data Entry Field | Lower MOOP      | Intermediate MOOP | Mandatory MOOP            |
|---|---------------------------------------|-----------------|-------------------|---------------------------|
| Acute In-Patient Services 3 days                        | 1a                                    | \$2,787         | \$2,509           | \$2,230                   |
| Acute In-Patient Services 6 days                        | 1a                                    | \$3,056         | \$2,751           | \$2,445                   |
| Acute In-Patient Services 10 days                       | 1a                                    | \$3,401         | \$3,061           | \$2,721                   |
| Acute In-Patient Services 60 days                       | 1a                                    | \$4,200         | \$5,185           | \$6,171                   |
| Inpatient Hospital Psychiatric – 8 days                 | 1b                                    | \$2,600         | \$2,340           | \$2,080                   |
| Inpatient Hospital Psychiatric – 15 days                | 1b                                    | \$2,819         | \$2,537           | \$2,255                   |
| Inpatient Hospital Psychiatric – 60 days                | 1b                                    | \$4,200         | \$3,790           | \$3,380                   |
| Skilled nursing care <sup>1</sup> days 1-20             | 2                                     | \$20/day        | \$10/day          | \$0/day                   |
| Skilled nursing care <sup>4</sup> days 21-100           | 2                                     | \$218/day       | \$218/day         | \$218/day                 |
| Cardiac rehabilitation                                  | 3-1                                   | 50% / \$50      | 40% / \$40        | 30% / \$30                |
| Intensive cardiac rehabilitation                        | 3-2                                   | 50% / \$65      | 40% / \$50        | 30% / \$40                |
| Pulmonary rehabilitation                                | 3-3                                   | 50% / \$40      | 40% / \$35        | 30% / \$25                |
| SET for PAD   | 3-4                                   | 50% / \$30      | 40% / \$25        | 30% / \$20                |
| Partial hospitalization program services                | 5a                                    | 50% / \$175     | 40% / \$140       | 30% / \$105               |
| Intensive Outpatient Services                           | 5b                                    | 50% / \$180     | 40% / \$145       | 30% / \$110               |
| Home health services                                    | 6a                                    | 20% / \$45      | \$0               | \$0                       |
| Primary Care Physician Services                         | 7a                                    | 50% / \$70      | 40% / \$55        | 30% / \$40                |
| Chiropractic Services                                   | 7b                                    | 50% / \$20      | 40% / \$15        | 30% / \$15                |
| Occupational Therapy Services                           | 7c                                    | 50% / \$60      | 40% / \$50        | 30% / \$35                |
| Physician Specialist Services                           | 7d                                    | 50% / \$95      | 40% / \$75        | 30% / \$55                |
| Mental Health Specialty Services                        | 7e                                    | 50% / \$85      | 40% / \$70        | 30% / \$50                |
| Podiatry Services                                       | 7f                                    | 50% coinsurance | 50% coinsurance   | 50% coinsurance           |
| Other Health Care Professional                          | 7g                                    | 50% coinsurance | 50% coinsurance   | 50% coinsurance           |
| Psychiatric Services                                    | 7h                                    | 50% / \$90      | 40% / \$70        | 30% / \$55                |
| Physical Therapy and Speech Language Pathology Services | 7i                                    | 50% / \$95      | 40% / \$75        | 30% / \$55                |
| Opioid Treatment Program Services                       | 7k                                    | 50% coinsurance | 50% coinsurance   | 50% coinsurance           |
| Therapeutic radiological services                       | 8b2                                   | 20% / \$85      | 20% / \$85        | 20% / \$85                |
| DME: Equipment  | 11a                                   | 50%             | 50%               | 20%                       |
| DME: prosthetics  | 11b1                                  | 50%             | 50%               | 20%                       |
| DME: medical supplies                                   | 11b2                                  | 50%             | 50%               | 20%                       |
| DME: diabetes monitoring supplies <sup>2</sup>          | 11c1                                  | 50%             | 50%               | 20%                       |
| DME: diabetic shoes or inserts                          | 11c2                                  | 50% / \$30      | 50% / \$30        | 20% / \$10 <sup>2,4</sup> |
| Renal dialysis services                                 | 12                                    | 20% / \$70      | 20% / \$70        | 20% / \$70                |
| Part B Drugs - Insulin                                  | 15-1                                  | \$35            | \$35              | \$35                      |
| Part B - Chemotherapy                                   | 15-2                                  | 20% / \$395     | 20% / \$395       | 20% / \$395               |
| Other drugs covered under Part B                        | 15-3                                  | 20% / \$340     | 20% / \$340       | 20% / \$340               |

Please email MMCO at [MMCO\\_DSNPOperations@cms.hhs.gov](mailto:MMCO_DSNPOperations@cms.hhs.gov) and your CMS Account Manager with any questions.

<sup>1</sup> For Regional D-SNP PPOs, 42 CFR 422.100(j)(1)(i)(C)(2) (Total cost sharing for the overall SNF benefit must not be greater than the per member per month actuarially equivalent cost sharing for the SNF benefit in original Medicare) is excluded.

<sup>2</sup> CMS did not set a copayment limit for “DME – diabetes monitoring supplies” based on large variations in cost from year-to-year due to the monitoring supplies PBP service category including items with high and very low costs together. CMS is considering separating this category into two categories in a future contract year to address this issue.