

<b>Policy Title:</b> FWA Compliance: Benefit Enhancements and Beneficiary Engagement Incentives			
<b>Department Responsible:</b> THN Operations	<b>Policy Number:</b> FWA-002	<b>THN's Effective Date:</b>	<b>Next Review/Revision Date:</b> September 30, 2026
<b>Title of Person Responsible:</b> THN Director of Operations	<b>THN Approval Council:</b> THN Operating Committee	<b>Date Approved:</b> September 11, 2025	<b>Date Approved by THN Board of Managers:</b>

- I. **Purpose.** The purpose of FWA-002 is to detail Triad Healthcare Network's (THN) policy and processes to ensure compliance with ACO REACH PA requirements related to the provision of certain payment rule waivers, also known as Benefit Enhancements or Beneficiary Engagement Incentives.
- II. **Policy.** It is the policy of THN to abide by all rules and regulations set forth by the Centers for Medicare and Medicaid Services (CMS) in regard to the Benefit Enhancements and Beneficiary Engagement Incentives available to THN under the ACO REACH Model.
- III. **Procedures.**
  - A. THN shall take all necessary steps to ensure compliance with the rules of any and all applicable Benefit Enhancements and/or Beneficiary Engagement Incentives it opts to employ.
    1. The available Benefit Enhancements are the
      - a. 3-Day SNF Rule Waiver
    2. The available Beneficiary Engagement Incentives are
      1. Chronic Disease Management Reward
  - B. **Election of Benefit Enhancements and/or Beneficiary Engagement Incentives:** If THN wishes to offer any Benefit Enhancement and/or Beneficiary Engagement Incentives during a Performance Year it must timely submit to CMS:
    1. its selection of the Benefit Enhancement and/or Beneficiary Engagement Incentive (including a list of any Participants and



Preferred Providers who have agreed to participate); and

2. an Implementation Plan meeting all requirements specified in the appropriate Appendix for the selected Benefit Enhancement and/or Beneficiary Engagement Incentive.

C. **Beneficiary Eligibility:** In order to be eligible to receive services under these Benefit Enhancements and Beneficiary Engagement Incentives, the Beneficiary must be aligned to THN at the time or be an Originally Aligned Beneficiary excluded from alignment to THN within the 90 days prior.

1. This Grace Period does not apply to the Beneficiary Engagement Incentives.
2. For Benefit Enhancements, this Grace Period does not apply when the Beneficiary is excluded from alignment for any of the following reasons:
  - a. Transition to Medicare Advantage or other Medicare managed care plan;
  - b. Medicare is no longer the primary payer;
  - c. Loss of Medicare coverage for Part A, when the furnished service would have been reimbursed under Medicare Part A; or
  - d. Loss of Medicare coverage for Part B, when the furnished service would have been reimbursed under Medicare Part B.

D. Services furnished under these Benefit Enhancements must be furnished in accordance with all other applicable state and Federal laws and all other Medicare coverage and payment criteria.

E. **3-Day SNF Rule Waiver:** waives the requirement in §1861(i) of the Social Security Act for a three-day inpatient hospital stay prior to the provision of otherwise covered Medicare post-hospital extended care services (SNF Services) furnished under the terms and conditions set forth in Appendix I of the ACO REACH PA.

1. THN shall maintain and provide to its Participants and Preferred Providers an accurate and complete list of Eligible SNFs and shall furnish updated lists as necessary to reflect any changes in SNF or Swing-Bed Hospital eligibility. This list shall also be furnished to a Beneficiary, upon request.

2. THN must provide written notification to CMS within 10 days of any changes to its list of Eligible SNFs. Within 10 days following the removal of any Eligible SNF from the list, THN must also provide written notification to the SNF or Swing-Bed Hospital that is has been removed from the list and that it no longer qualifies to use this Benefit Enhancement.
3. THN shall provide a copy of the ACO REACH PA Appendix I to each Eligible SNF to which Beneficiaries are referred by Participants and Preferred Providers.
4. In order to be eligible to submit claims for services furnished to Beneficiaries pursuant to the 3-Day SNF Rule Waiver Benefit Enhancement, an entity must be
  - a. a Participant or Preferred Provider;
  - b. a SNF or a hospital or critical access hospital that has swing-bed approval for Medicare post-hospital extended care services (“Swing-Bed Hospital”);
  - c. designated on the Participant List or Preferred Provider List, submitted in accordance with OP-004, as participating in the 3-Day SNF Rule Waiver Benefit Enhancement; and
  - d. approved by CMS.
- i. Approval will be, in part, based upon the SNF's scoring posted on the Nursing Home Compare Website. SNFs with fewer than 6 reported months on the Nursing Home Compare Website are ineligible to participate.
5. In order to be eligible to receive services under this Benefit Enhancement the Beneficiary must:
  - a. Not be residing in a SNF or long-term care facility at the time of admission.
- i. For purposes of this Benefit Enhancement, independent living facilities and assisted living facilities are not deemed long-term care facilities.
  - b. Be Medically stable;
  - c. Have confirmed diagnoses;
  - d. Not require inpatient hospital evaluation or treatment; and
  - e. Have a skilled nursing or rehabilitation need that is



identified by the evaluating physician or other practitioner and cannot be provided as an outpatient; and

- f. In the case of a direct admission, have been evaluated by a physician or other practitioner licensed to perform the evaluation within three days prior to admission
6. THN Compliance will conduct periodic reviews to ensure that admission of Eligible Beneficiaries to Eligible SNFs under this waiver are medically appropriate and consistent with the terms of the waiver.

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F. **Chronic Disease Management Reward Beneficiary Engagement**

**Incentive:** allows THN to provide a gift card reward for the purpose of incentivizing participation in a qualifying Chronic Disease Management Program.

1. Rewards are furnished only to Beneficiaries who have a chronic disease, as identified by a clinical diagnosis that is targeted by a qualifying Chronic Disease Management Program identified in THN's Implementation Plan submitted to CMS.
2. In order to receive a gift card, Beneficiaries must
  - a. be eligible at the time he or she is enrolled in, or otherwise begins participating in, the Chronic Disease Management Program; and
  - b. satisfy all criteria for obtaining a gift card as set forth in THN's Implementation Plan.
3. The gift card is:
  - a. provided to the Beneficiary directly by THN;
  - b. funded entirely by THN;
  - c. programmed to prevent the purchase of tobacco and alcohol products;
  - d. not offered in the form of cash or monetary discounts or rebates, including reduced cost-sharing or reduced premiums; and



- e. not redeemable for cash or transferable to another individual.
4. The aggregate value of any and all gift cards provided by THN to the Beneficiary during a Performance Year does not exceed \$75.
5. THN maintains records that document the following:
  - a. The identity of each Beneficiary who received a gift card reward;
  - b. The Chronic Disease Management Program(s) in which the Beneficiary's participation is being rewarded;
  - c. The nature and date(s) of the activities or other conduct engaged in by the Beneficiary to qualify for the gift card reward; and
  - d. The nature and amount of each gift card received by the Beneficiary.

**G. Responsibility for Denied Claims:** In the event that CMS denies a claim under one of the Benefit Enhancements:

1. CMS may, in some limited circumstances make payment but recoup the payment from the ACO, payable as Other Monies Owed for the Performance Year. In most cases, CMS will make no payment.
2. THN shall ensure that the individual or entity that provided the Services does not charge the Beneficiary for the expenses incurred for such services;
3. THN shall ensure that the individual or entity that provided the Services returns to the Beneficiary any monies collected from the Beneficiary; and
4. THN shall indemnify and hold the Beneficiary harmless for payment of any such services provided to the Beneficiary.

**H. Access to Up-to-Date Beneficiary Rosters:** Compliance with ACO REACH PA requirements related to Benefit Enhancements and Beneficiary Engagement Incentives cannot be ensured if Participants and Preferred Providers do not have access to the most up-to-date information regarding Beneficiary alignment to THN. Without this information, the Participant or Preferred Provider may inadvertently refer an ineligible Beneficiary or file an inappropriate claim. As a result, THN has established appropriate procedures to ensure that Participants and Preferred Providers have access to the most up-to-date information

regarding Beneficiary alignment to THN via the THN website.

- I. If THN wishes to make a change to the Implementation Plan approved by CMS for any of the above listed Benefit Enhancements or Beneficiary Engagement Incentives, a revised Implementation Plan must be submitted to CMS for review and approval.
- J. THN maintains records related to provision of any of the above listed Benefit Enhancements and Beneficiary Engagement Incentives in accordance with the Record Retention Policy.
- K. **Requirements for Termination of Benefit Enhancements or Beneficiary Engagement Incentives:** THN must obtain CMS consent before voluntarily terminating any Benefit Enhancement or Beneficiary Engagement Incentive effective during a Performance Year.
  1. **Termination within the Performance Year.** THN must obtain CMS consent before voluntarily terminating any Benefit Enhancement or Beneficiary Engagement Incentive effective during a Performance Year. THN shall provide at least 30 days advanced written notice of such termination to CMS. If CMS consents to such termination, the effective date will be the date specified in the notice of termination unless another date is specified by CMS.
    - a. Within 30 days after the effective date of termination, THN shall send notice in writing to its Participants, Preferred Providers and affected Beneficiaries.
      - I. For all Benefit Enhancements such notification shall state that following a date that is 90 days after the effective date of termination, services furnished under the Benefit Enhancement will no longer be covered by Medicare and the Beneficiary may be responsible for the payment of such services.
      - II. For all Beneficiary Engagement Incentives, such notification shall state that following a date specified by CMS, Beneficiary Engagement Incentives must no longer be provided to the Beneficiary.
      - III. Any notice to Beneficiaries is subject to review and approval in accordance with **OP-002**.
  2. **Termination Between Performance Years.** If THN elects to discontinue a Benefit Enhancement or Beneficiary Engagement Incentive for a subsequent Performance Year, THN shall notify all



Participants, Preferred Providers and affected Beneficiaries at least 30 days prior to the start of the next Performance Year.

- L. **Reporting:** THN is required to report data on the use of Benefit Enhancements and Beneficiary Engagement Incentives to CMS, in a form and manner and by a date specified to CMS.

Date	Reviewed	Revised	Notes
April 2023			New REACH policy
December 2024		X	Removed language related to BEs not currently being used by THN
September 2025	X		No changes