

Expanded Medicare Advantage Supplemental Benefits: Offering Flexibility to Support High-Need Medicare Beneficiaries

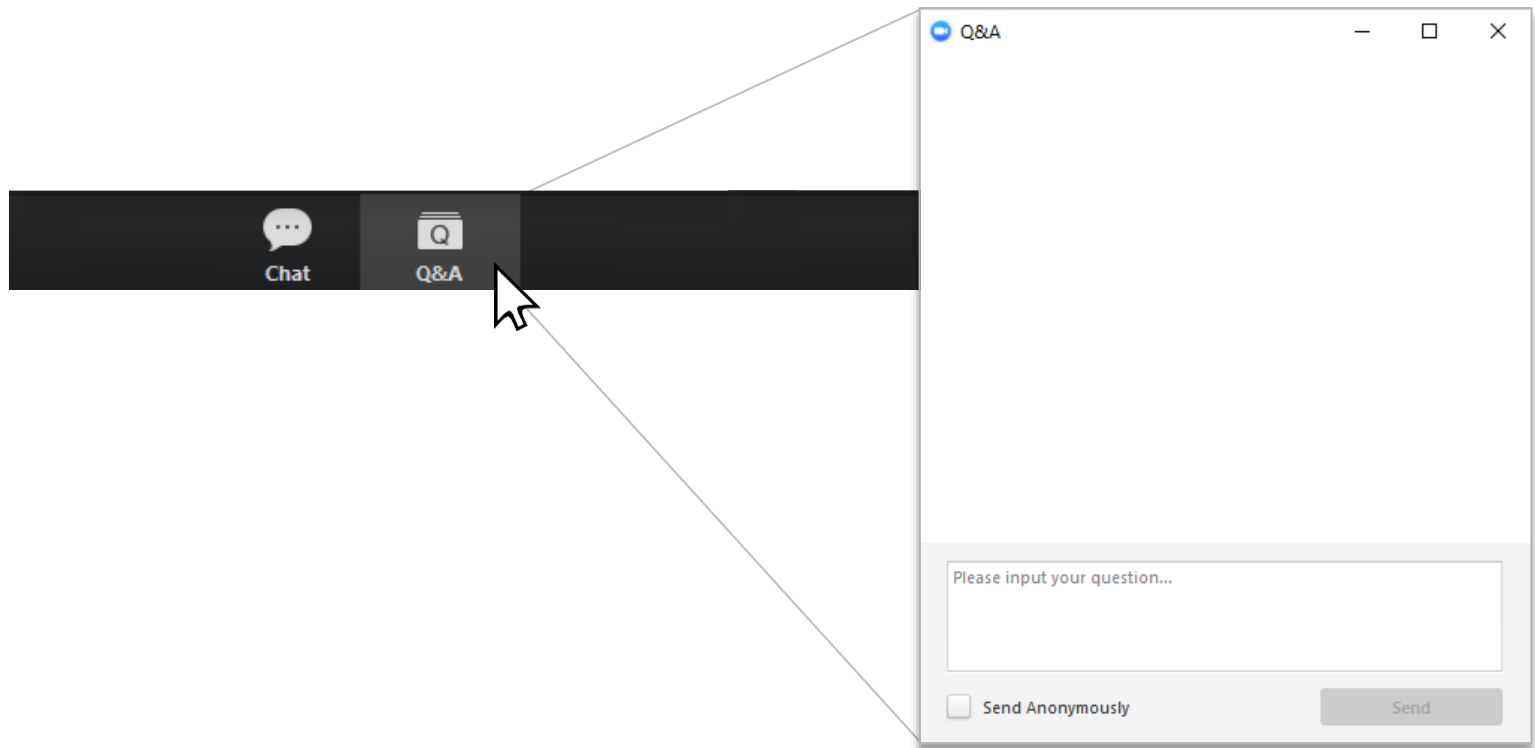
November 19, 2020

Made possible with support from the Seven Foundation Collaborative — Arnold Ventures, The Commonwealth Fund, The John A. Hartford Foundation, the Milbank Memorial Fund, Peterson Center on Healthcare, the Robert Wood Johnson Foundation, and The SCAN Foundation.

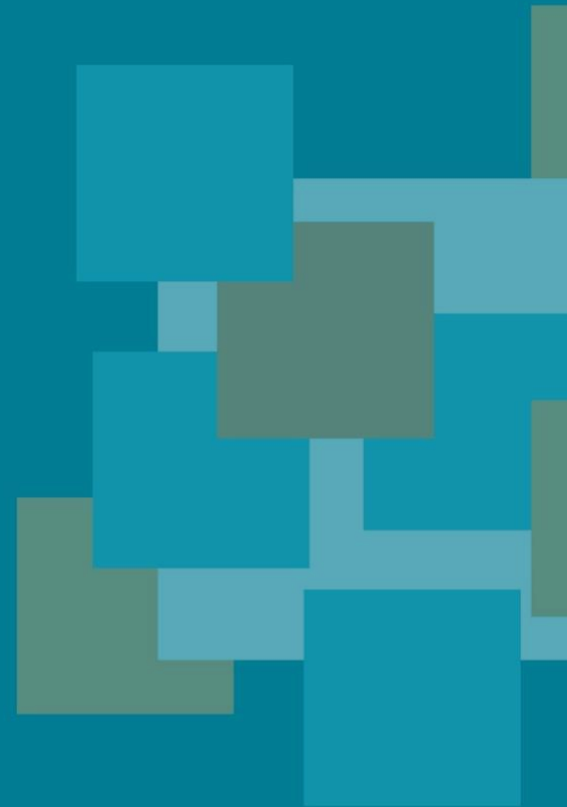
Questions?



To submit a question, click the Q&A icon located at the bottom of the screen.



Welcome & Introductions



Agenda



- Welcome and Introductions
- Current Benefit Landscape and Initial Health Plan Adoption
- Analysis of Supplemental Benefit Offerings and Beneficiary Impact
- Looking to the Future: Expanded Supplemental Benefits and Adoption in 2021
- Reflections on Opportunities for Health Plans and Partners to Implement New Supplemental Benefits
- Moderated Q&A

Today's Presenters



Michelle Herman Soper, MHS, Vice President for Integrated Care, CHCS



Narda Ipakchi, MBA, Senior Consultant, Health Management Associates



Matt Kazan, MPP, Principal, Avalere



Tyler Cromer, MPA, Principal, ATI Advisory



Sachin Jain, MD, MBA, President and CEO of SCAN Group and Health Plan

About the Better Care Playbook



Robust online resource center offering the latest knowledge on evidence-based and promising practices for people with complex health and social needs



Provides practical how-to guidance to inform health system leaders, payers, policymakers and others on strategies to improve care for high-need, high-cost populations



Coordinated by the Center for Health Care Strategies through support from seven leading national health care foundations — **Arnold Ventures, The Commonwealth Fund, The John A. Hartford Foundation, the Milbank Memorial Fund, Peterson Center on Healthcare, the Robert Wood Johnson Foundation, and The SCAN Foundation.**

www.BetterCarePlaybook.org

Medicare Advantage Supplemental Benefits

- Medicare Advantage (MA) plans may use rebate dollars to reduce premiums, lower cost sharing or provide **supplemental benefits**, which are not Medicare-covered services
- Rebate dollars:
 - » Are available when plan bids below benchmark
 - » Vary by plan's Star Rating
- Traditionally, supplemental benefits are “primarily health related” (i.e., an item or service that may prevent, cure, or diminish an illness or injury)

Recent Flexibilities for Expanded Supplemental Benefits

- 2019: Expansion of “primarily health-related” supplemental benefits. Can include benefits:
 - » To address long-term services and supports (LTSS) needs (e.g., adult day health, in-home support services, caregiver supports, home and bathroom safety devices)
- 2020: Creation of Special Supplemental Benefits for the Chronically Ill (SSBCI). Can include benefits:
 - » That are not primarily health-related for eligible enrollees with a chronic illness
 - » To address social determinant of health needs (e.g., transportation for non-medical needs, home-delivered meals, home modifications, housing supports)
- Relaxation of Uniformity Requirements

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Medicare Advantage Supplemental Benefit Flexibilities: Early Assessment of Plan Adoption and Beneficiary Access

Narda Ipakchi, HMA

This analysis was produced with the support of a grant from Arnold Ventures

W W W . H E A L T H M A N A G E M E N T . C O M

Topics

1. Description of newly available supplemental benefit opportunities to address unmet health and social needs
2. Snapshot of the early adoption of supplemental benefit flexibilities
3. Factors contributing to plan adoption and selection of newly available supplemental benefits
4. Early insights and lessons learned from Medicare Advantage (MA) organizations, beneficiary advocates, and service providers

Four New Flexibilities for Supplemental Benefits

Expanded Primarily
Health-Related
Benefits

Value-based
Insurance Design
(VBID)

Special Supplemental
Benefits for the
Chronically Ill (SSBCI)

Uniform Flexibility

Low Enrollment in Plans Offering New Benefits

Enrollment in plans offering these flexibilities in 2020 is relatively low: 19% of all MA enrollees are enrolled in a plan that offered at least one expanded supplemental benefit

Summary of Supplemental Benefit Flexibilities Adoption and Enrollment (as % of all MA plans)

All Medicare Advantage Plans (Including SNP)	Flexibility 1: Select Primarily Health-Related Benefits	Flexibility 2: Uniform Flexibility	Flexibility 3: VBID	Flexibility 4: SSBCI	At Least One Flexibility
MA Parent Organizations	19.7%	18.1%	7.4%	16.0%	41.4%
MA Plans	9.2%	5.5%	2.8%	4.8%	18.0%
Enrollment as a % of Total MA Enrollment	10.2%	5.0%	5.1%	5.7%	19.1%

- Variability across flexibility types
- No clear pattern in MA organizations offering newly available supplemental benefits
- Large proportion of offerings are D-SNPs
- No clear geographic pattern; beneficiaries in many parts of the country have no access to new supplemental benefit

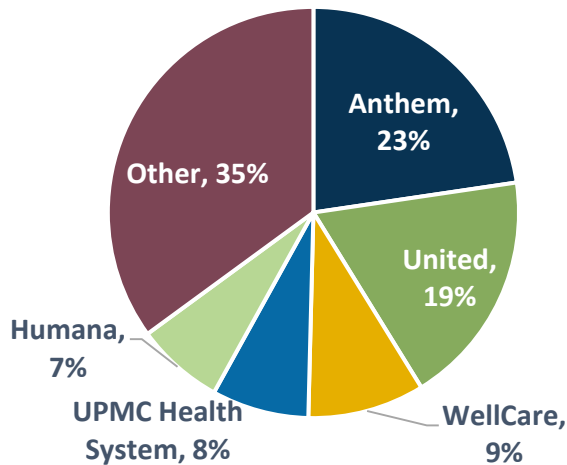
Source: HMA analysis of CMS PBP Benefits – 2020 Quarter 2 files

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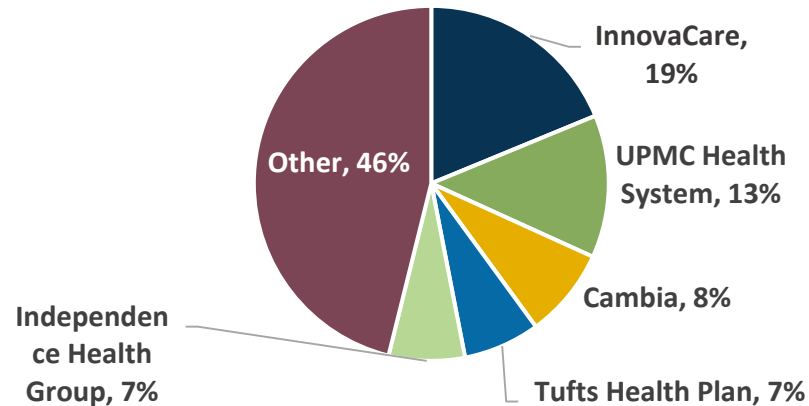
MA Organizations Chose Different Pathways to Participate

Share of 2020 MA Enrollment, of MA Organizations Offering Newly Available Benefits

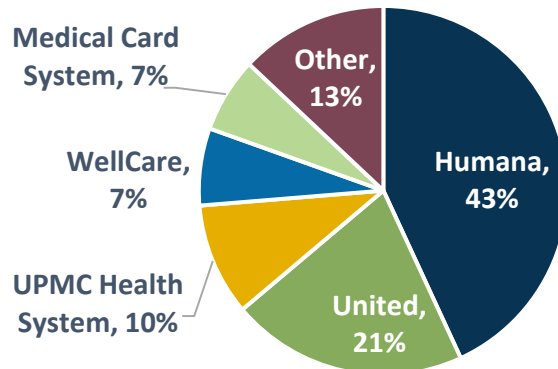
Primarily Health-Related



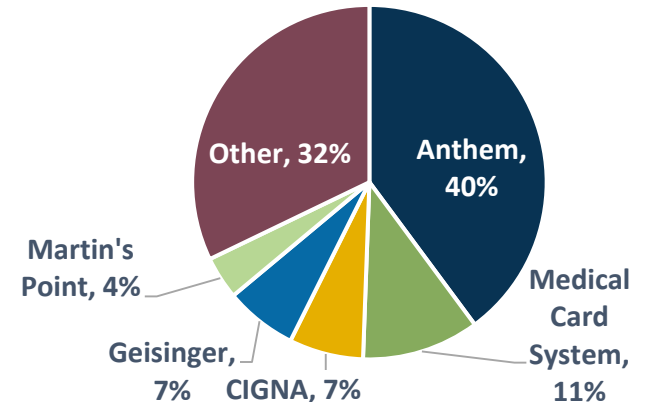
Uniform Flexibility



VBID



SSBCI

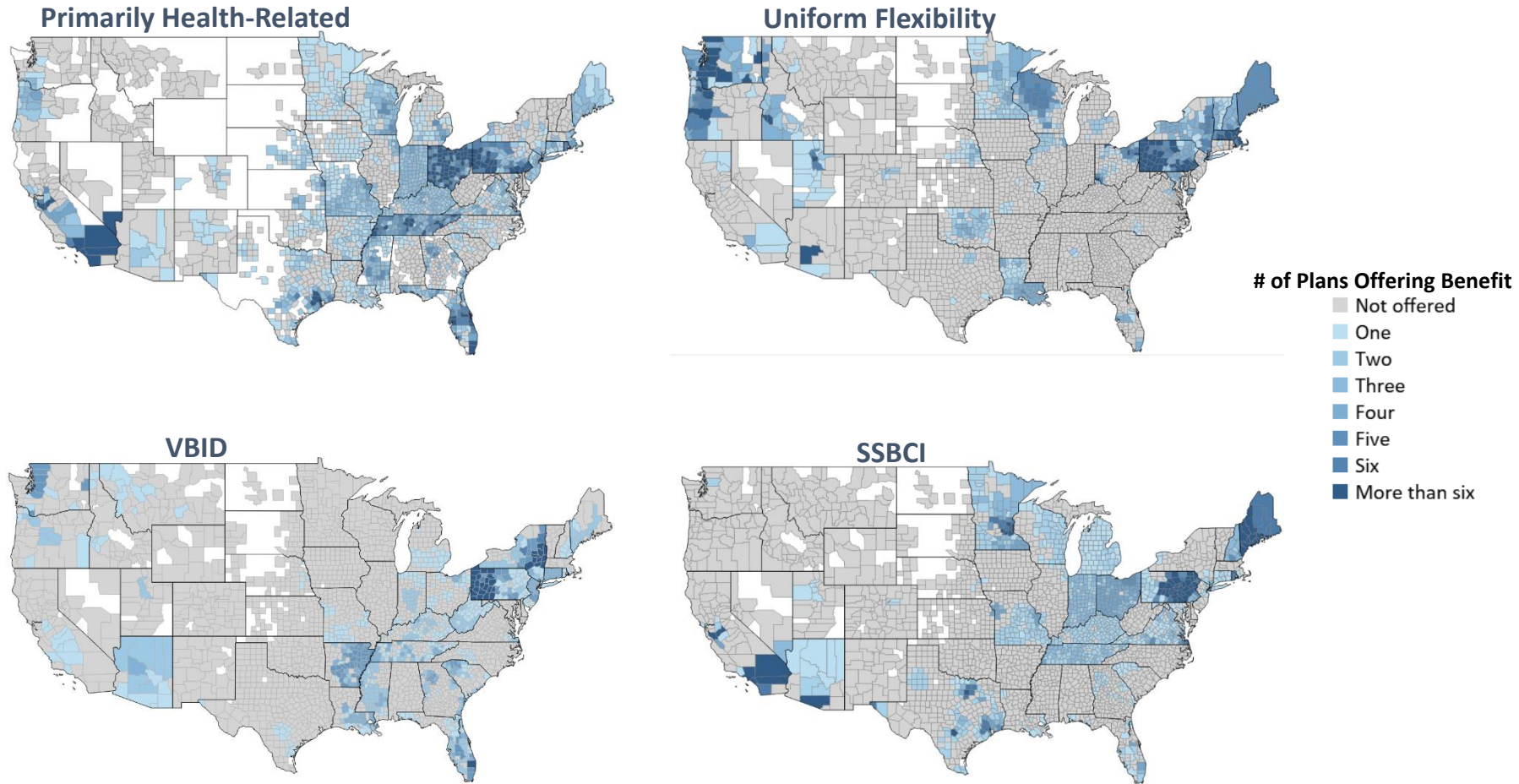


Source: HMA analysis of CMS PBP Benefits – 2020 Quarter 2 files

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In Many Geographies, No Access to Plan with Expanded Supplemental Benefits

Geographic Areas MA Plans Are Offering Flexible Benefits, by Benefit Type (2020)



Source: HMA analysis of CMS PBP Benefits – 2020 Quarter 2 files

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Factors Contributing to MA Plan Adoption and Selection of Newly Available Benefits

MA plans reported that lack of evidence regarding the impacts of specific interventions made it difficult to assess the value of newly available supplemental benefits

- MA organizations generally evaluated supplemental benefit opportunities against one or more of three dimensions:
 - Identified member need
 - Up front costs/resources available
 - Market differentiation
- Food/meals, transportation, and social isolation benefits were perceived as attractive short-term opportunities
- Benefit offerings varied in scope, duration, and form across MA organizations
- Availability and presence of service providers informed selection of benefit offerings

Source: HMA interviews with Medicare Advantage organizations

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Insights and Lessons Learned from Early Implementation

- Limited research and data makes it difficult for MA plans to evaluate whether and how to provide newly available supplemental benefits
- Multiple flexible benefit pathways create confusion and administrative burden
- Difficulties in communicating flexible benefits hinders enrollee awareness, access, and use
- Variation in scope of benefit offerings raises parity concerns and may make it difficult for beneficiaries to meaningfully compare options
- Current eligibility criteria do not enable MA plans to offer benefits to those that may benefit most
- Lack of familiarity with MA and the Medicare program presents contracting challenges for service providers
- Beneficiaries and their representatives do not appear to be involved in the design of flexible benefits
- Supplemental benefits are not covered for individuals in Traditional Medicare, leaving the majority of Medicare beneficiaries without access

Detailed findings and accompanying policy recommendations to be published in a white paper later this year

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Source: HMA interviews with Medicare Advantage organizations, beneficiary advocates, and service providers



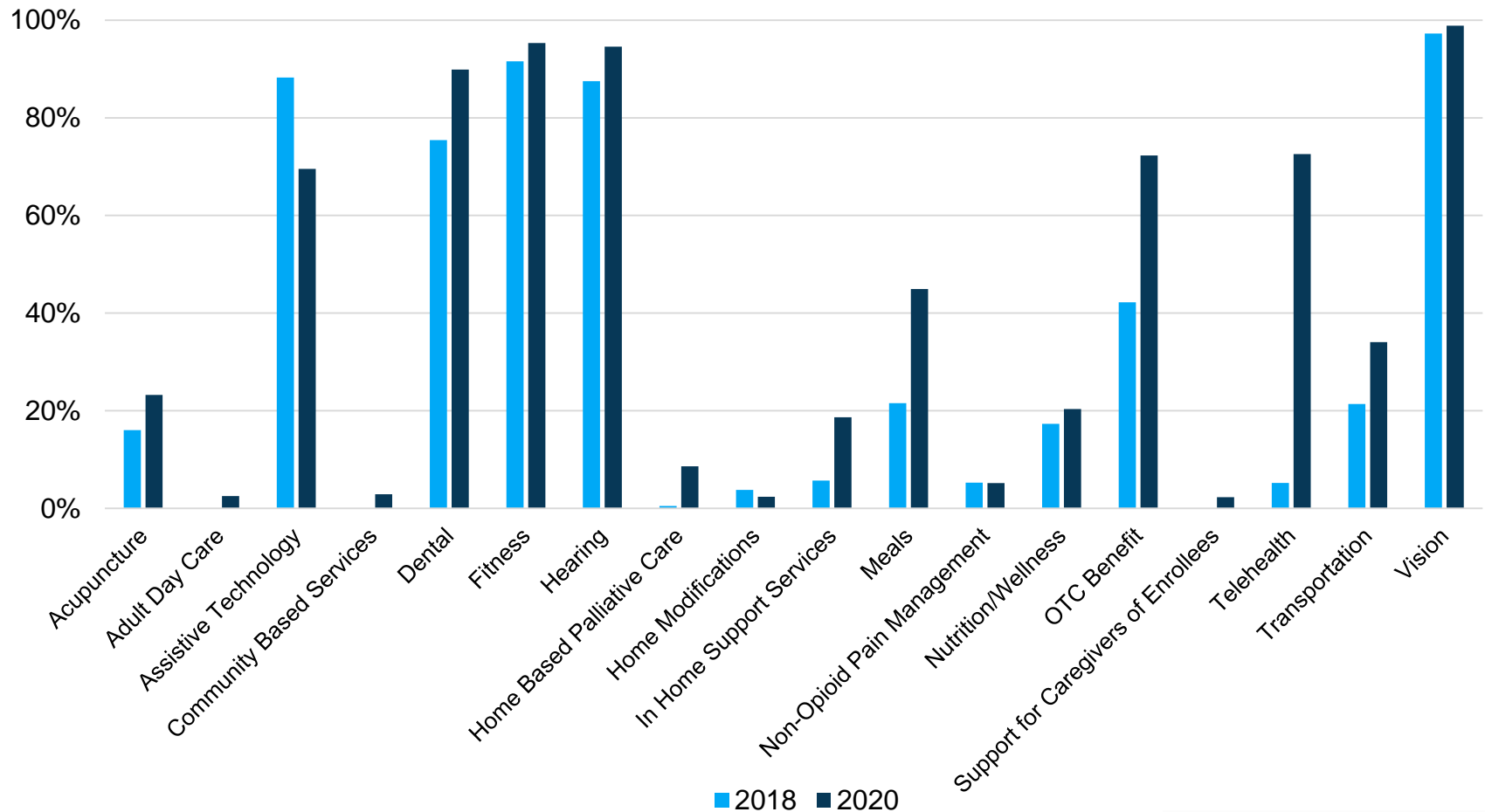
Analysis of Supplemental Benefit Offerings and Beneficiary Impact

Avalere Health | An Inovalon Company
November 2020

Funding for this research was provided by The Commonwealth Fund

Enrollment in Plans Offering Certain Supplemental Benefits Increased from 2018 to 2020

PERCENT OF ALL MA BENEFICIARIES ENROLLED IN A PLAN OFFERING BENEFIT, 2018-2020



Source: Avalere analysis of CY 2018 and CY 2020 Plan Benefit Package files



Relationship Between Premiums, Supplemental Benefits Availability, & Social Risk Factors

Relationship between Rebates, Premiums, and Supplemental Benefits

- In 2020, 87% of plans offered more than 5 supplemental benefits, compared to 59% in 2018. The increase corresponds with an increase in the percent of plans receiving a rebate of more than \$50 per beneficiary
- Plans receiving largest rebates are most likely to offer \$0 premiums
- Plans with the most resources offered additional supplemental benefits, although they may have prioritized reducing premiums

Beneficiary Enrollment in Plans Based on Premiums and Supplemental Benefits

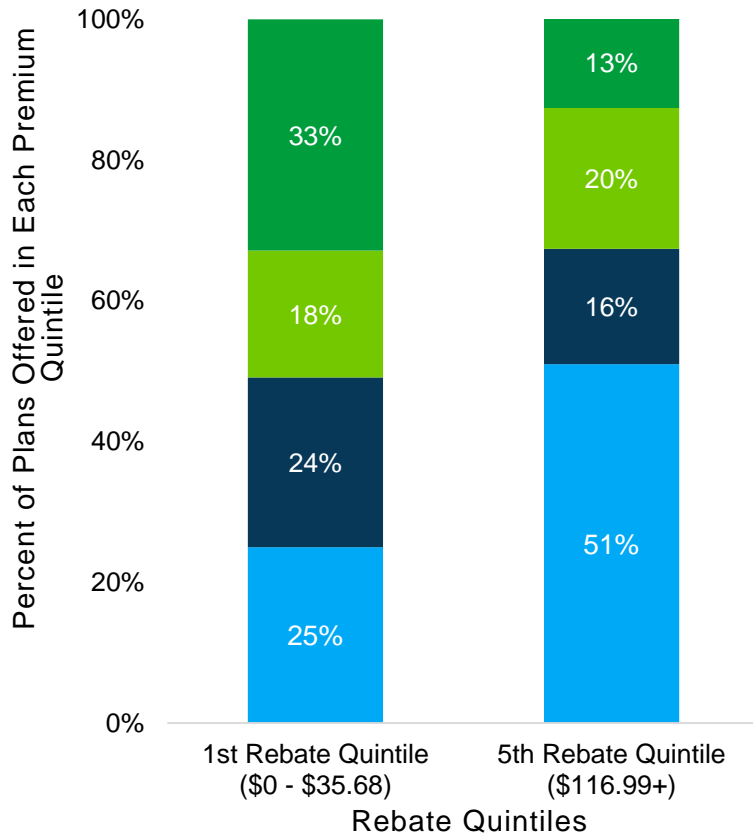
- In 2020, 59% of Non-SNP and 81% of SNP MA beneficiaries were enrolled in plans with rebates of \$50 or more that offered 7 or more supplemental benefits
- Beneficiaries enrolled in highest rebate plans were 10 times as likely to have 9 or more supplemental benefits
- More than 4.2 million beneficiaries enrolled in the highest rebate, \$0 premium plans, indicating that beneficiaries may prefer \$0 premium plans

Supplemental Benefits and Enrollment by Socio-Economic Characteristics

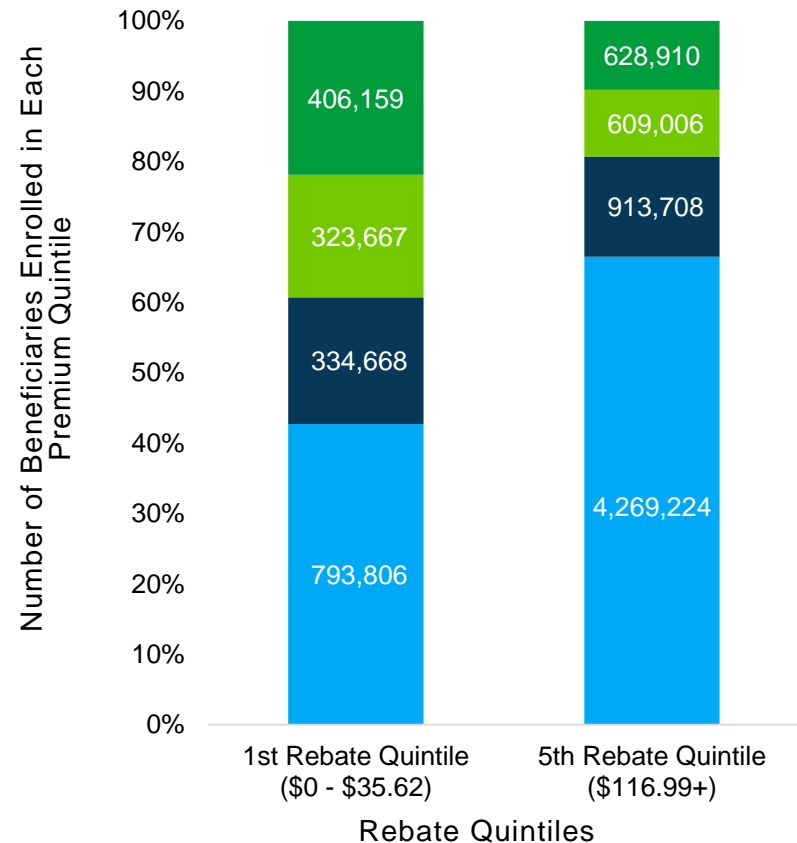
- The extent to which plans offer supplemental benefits varies across important socio-economic characteristics of the counties plans are in
- Nearly 70% of MA plans offer meals in localities with high rates of poverty
- Enrollment in plans that offer telehealth and transportation is high where fewer residents have access to a vehicle
- Across all meals, transportation, and telehealth supplemental benefits, the highest beneficiary enrollment was in the areas with the fewest white, non-Hispanic residents

Non-SNPs with Largest Rebates Offered Twice as Many \$0 Premium Plans as Those with Smallest Rebates

Percent of Non-SNP Plans Offered in Each Premium Quintile by Rebate Quintile, 2020



Enrollment in Non-SNP Plans in Each Premium Quintile by Rebate Quintile, 2020



■ 1st and 2nd Premium Quintile (\$0)
 ■ 3rd Premium Quintile (\$5.80-\$38)
 ■ 4th Premium Quintile (\$39-\$78)
 ■ 5th Premium Quintile (\$78.10-\$350)

Note: The 1st and 2nd Premium Quintiles were merged because \$0 premiums represent 40% of all Non-SNPs.

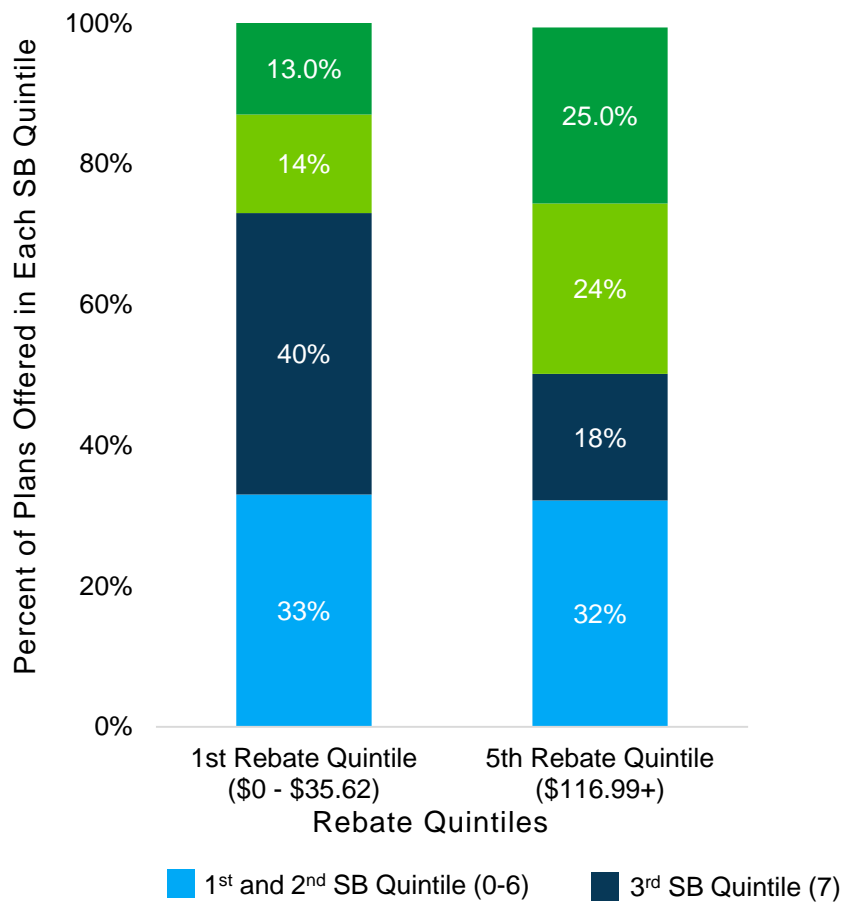
MA: Medicare Advantage; SNP: Special Needs Plan

Source: Avalere analysis using Proprietary Bid Model

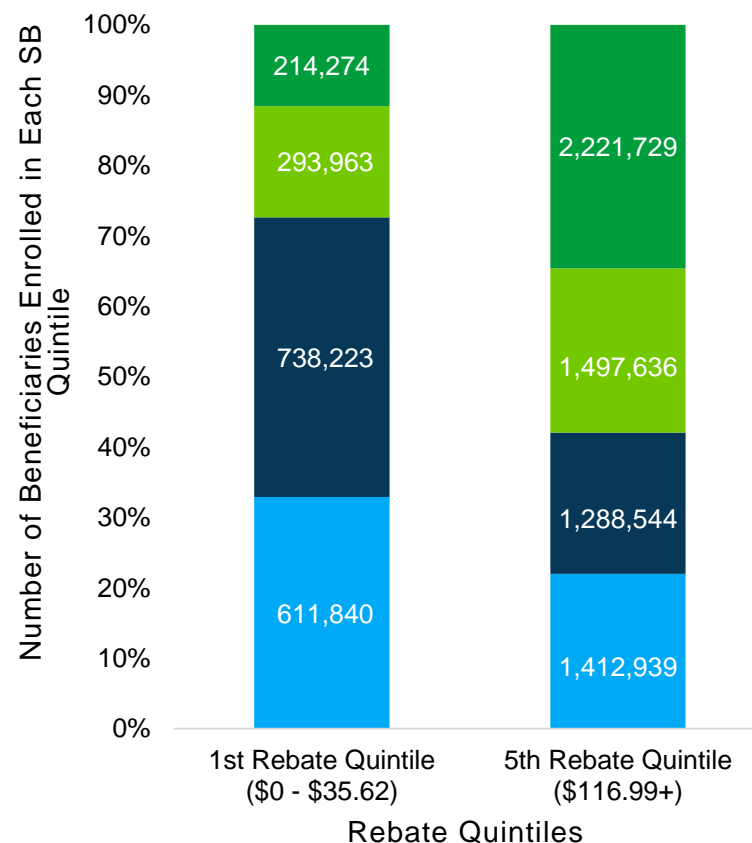


58% of Beneficiaries in Highest Rebate Plans Have 8 or More SBs, Compared to 27% in Lowest Rebate Plans

Percent of Non-SNP Plans Offered in Each SB Quintile by Rebate Quintile, 2020



Enrollment in Non-SNP Plans in Each SB Quintile by Rebate Quintile, 2020



Avalere Examined the Relationship Between Socio-Economic Factors and Supplemental Benefits

Avalere assessed access to and enrollment in plans offering three key SSBCI, relative to four socio-economic characteristics.

Socio-Economic Factors /

Income: Percent of households below the Federal Poverty Level in each county

Education: Median educational attainment (i.e., years of education a person has received) of individuals in each county

Vehicle: Percent of households without access to a vehicle in each county

Race: Percent of white, Non-Hispanic residents in each county

All factors were assessed at the county level, and distributed into 5 quintiles

Metrics /

1. **Access:** Percent of plans offering the benefit
2. **Enrollment:** Number of beneficiaries enrolled in a plan offering the benefit

Benefits Included /

Highlights from findings for three key benefits are included in this deck:

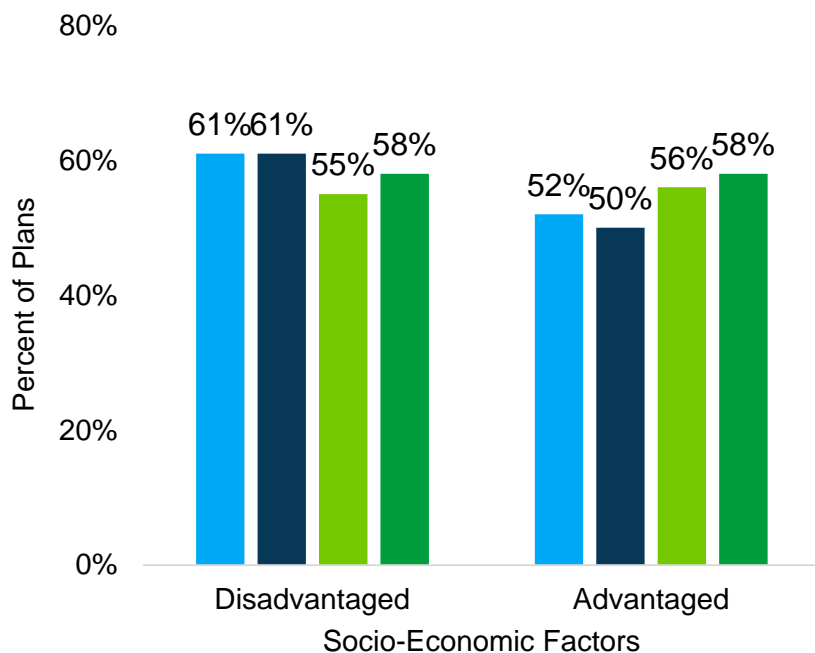
- Meals
- Transportation
- Telehealth

Plans Evaluated /

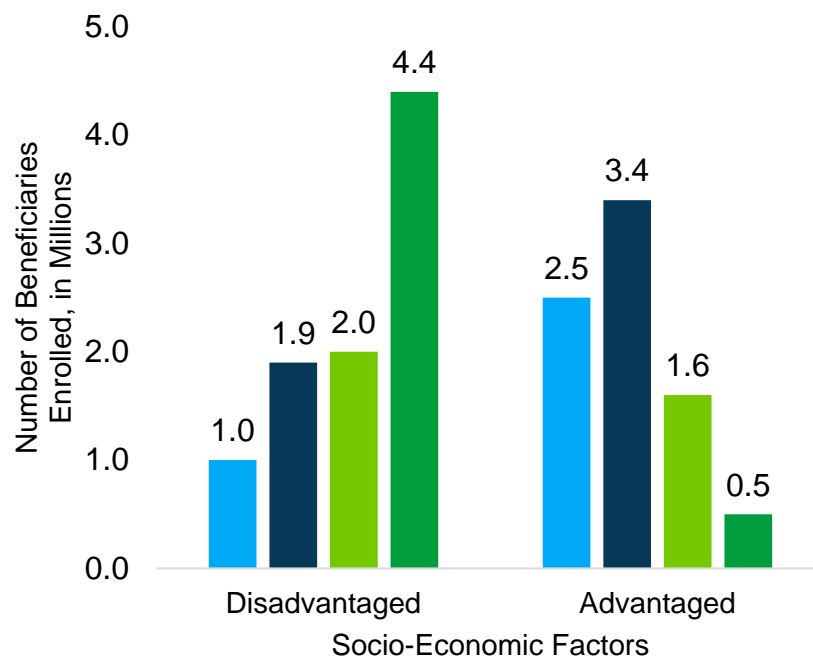
The relationship was evaluated for all MA plans, SNPs, and Non-SNPs

More Plans with Benefits Does Not Always Result in More Enrollment in Disadvantaged Counties

Percent of Plans Offering Benefits,
by County Level Quintile, 2020



Enrollment in Plans Offering Benefit,
by County Level Quintile, 2020



■ Income ■ Education ■ Vehicle ■ Race



Despite a higher percentage of plans offering supplemental benefits in disadvantaged counties, more beneficiaries are enrolled in those plans in counties with higher incomes and education.

Note: Disadvantaged is defined at 5th Quintile for percent below FPL and percent without access to a vehicle; 1st Quintile for educational attainment and percent Non-Hispanic White. Advantaged is defined as opposite.

FPL: Federal Poverty Level

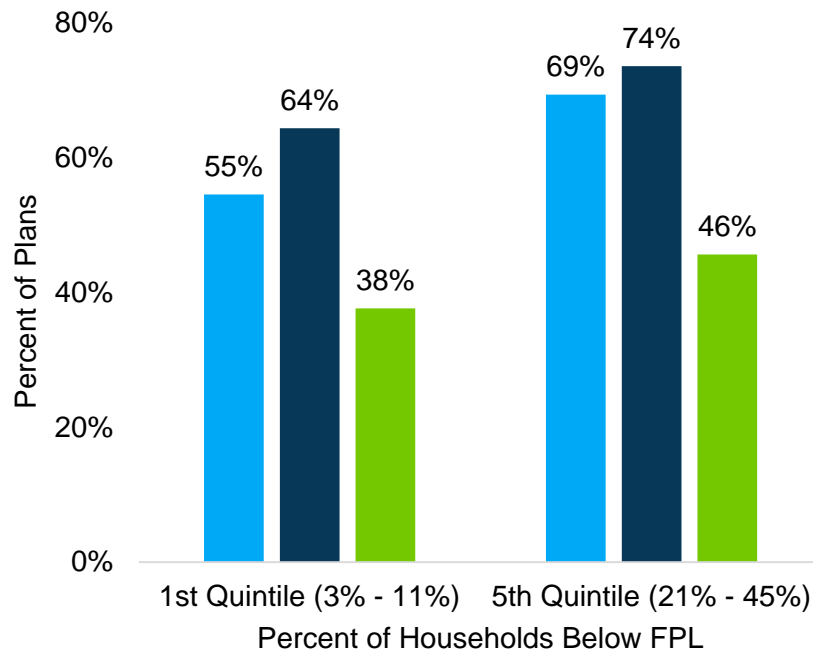
Source: Avalere analysis using Proprietary Bid Model



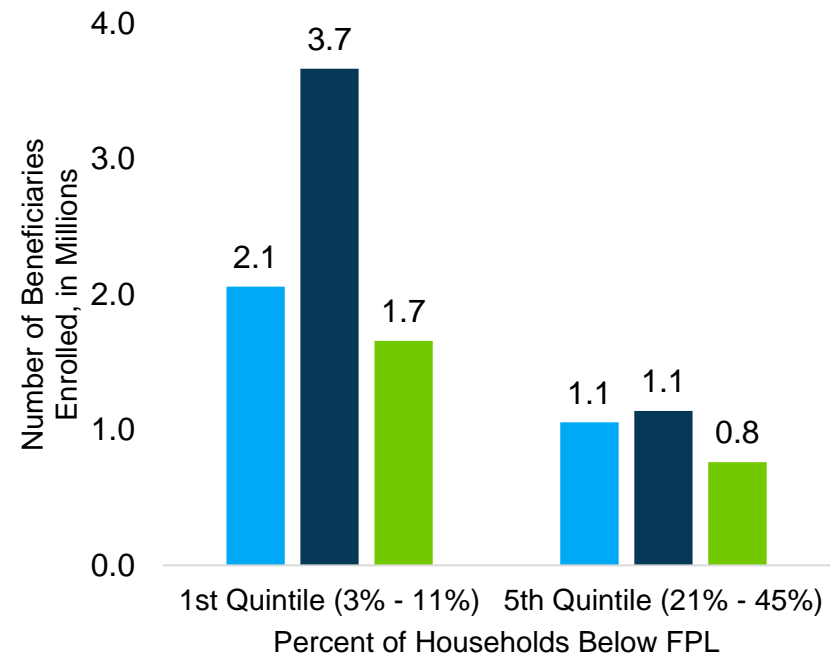
Avalere | 23

More Plans with Benefits Does Not Result in More Enrollment in Highest Poverty Counties

Percent of Plans Offering Benefits, by County Poverty Level Quintile, 2020



Enrollment in Plans Offering Benefit, by County Poverty Level Quintile, 2020



■ Meals ■ Telehealth ■ Transportation



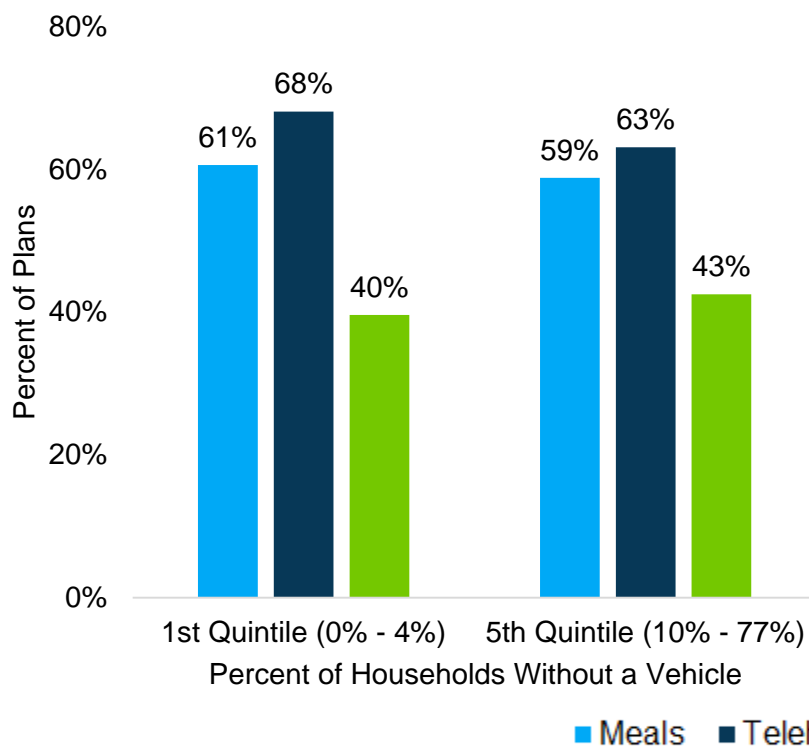
Despite a higher percentage of plans with telehealth offered in lower income counties, more beneficiaries are enrolled in those plans in higher income counties.

FPL: Federal Poverty Level

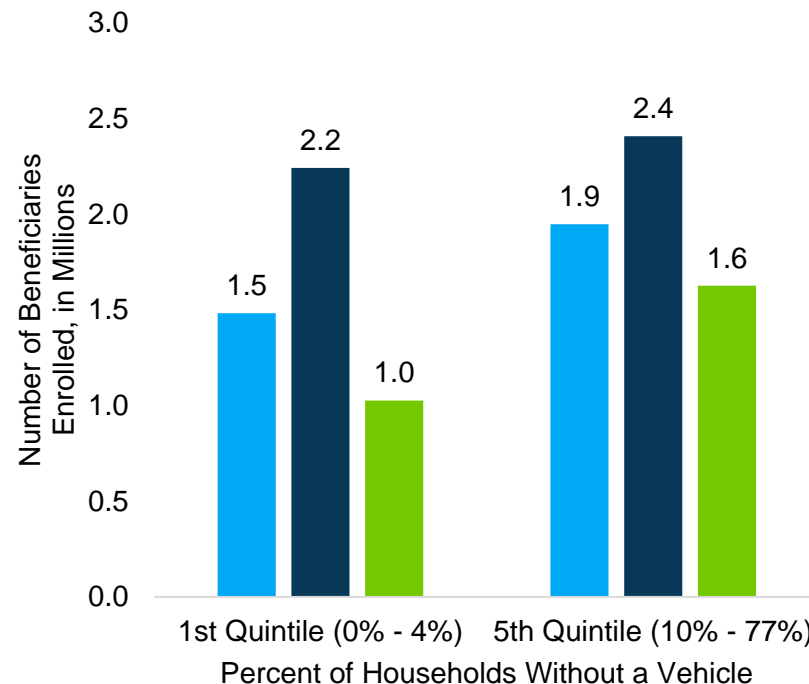
Source: Avalere analysis using Proprietary Bid Model

Transportation Services Only Moderately More Likely to Be Offered in Counties with Low Vehicle Access

Percent of Plans Offering Benefits, by Without a Vehicle Quintile, 2020



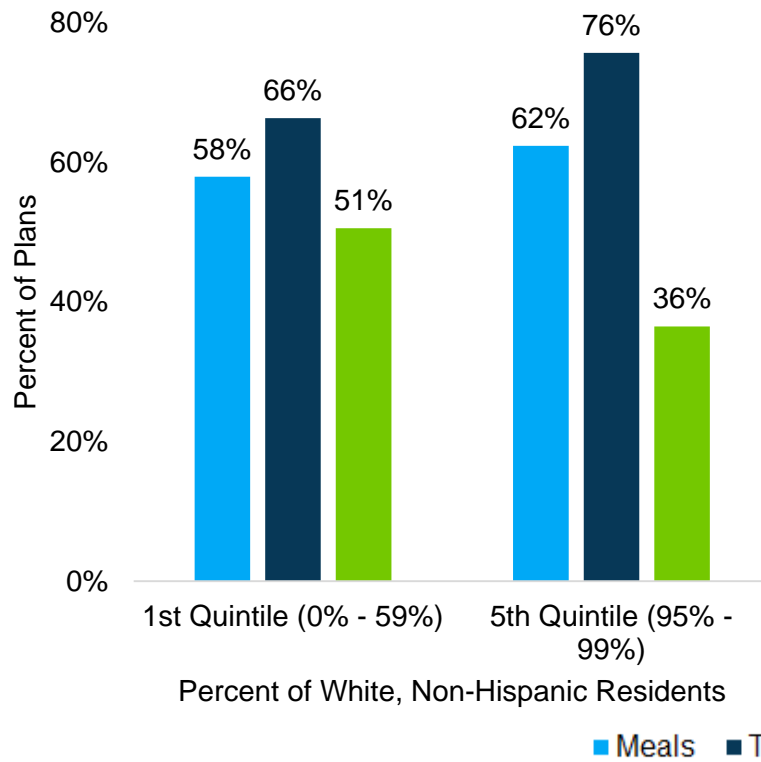
Enrollment in Plans Offering Benefit, by Without a Vehicle Quintile, 2020



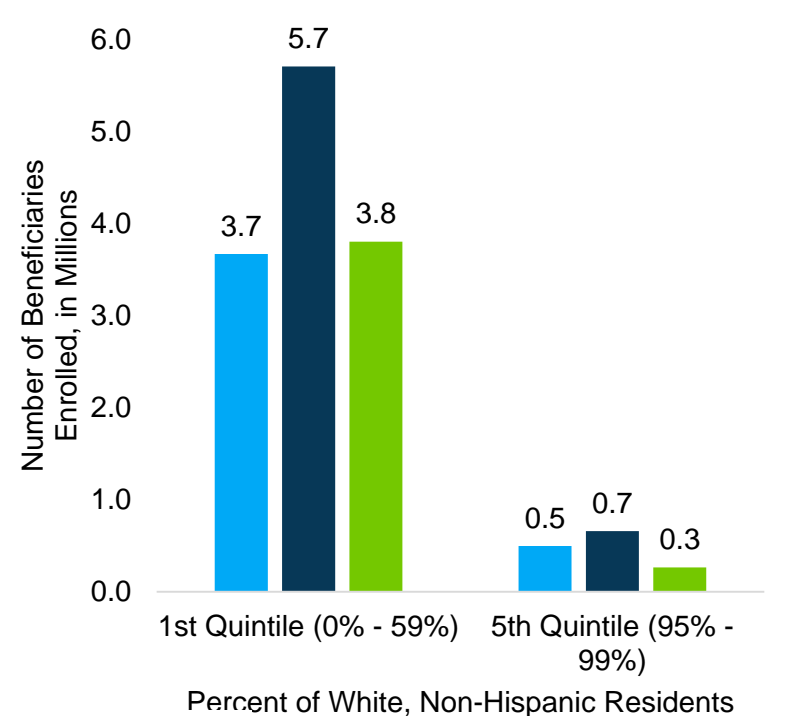
 **Plan offering and beneficiary enrollment are relatively consistent between the first and fifth county vehicle access quartiles.**

Enrollment in Plans Offering Select SBs Higher in Counties with Higher Percentage of Minorities

Percent of Plans Offering Benefits, by Percent of White, Non-Hispanic Residents in County, 2020



Enrollment in Plans Offering Benefit, by Percent of White, Non-Hispanic, Residents in County, 2020



Across all three selected supplemental benefits, the highest beneficiary enrollment was in the counties with the fewest white, Non-Hispanic people, despite relatively fewer plans offering the benefits there.

MA: Medicare Advantage; SB: Supplemental Benefit
Source: Avalere analysis using Proprietary Bid Model

Looking to the Future: Expanded Supplemental Benefit Adoption

November 19, 2020

Turning Point in Medicare Policy

Key Background:

- Medicare allows coverage of non-primarily health-related benefits through Medicare Advantage for the first time; gives flexibility to provide LTSS-type benefits and to target benefits
- New 2021 plan year data show the number of plans offering these newer benefits is growing rapidly

Today's Release:

- ATI Advisory and the Long-Term Quality Alliance, with support from The SCAN Foundation, are releasing:

1

Providing Non-Medical Supplemental Benefits in Medicare Advantage: A **Roadmap** for Plans and Providers

2

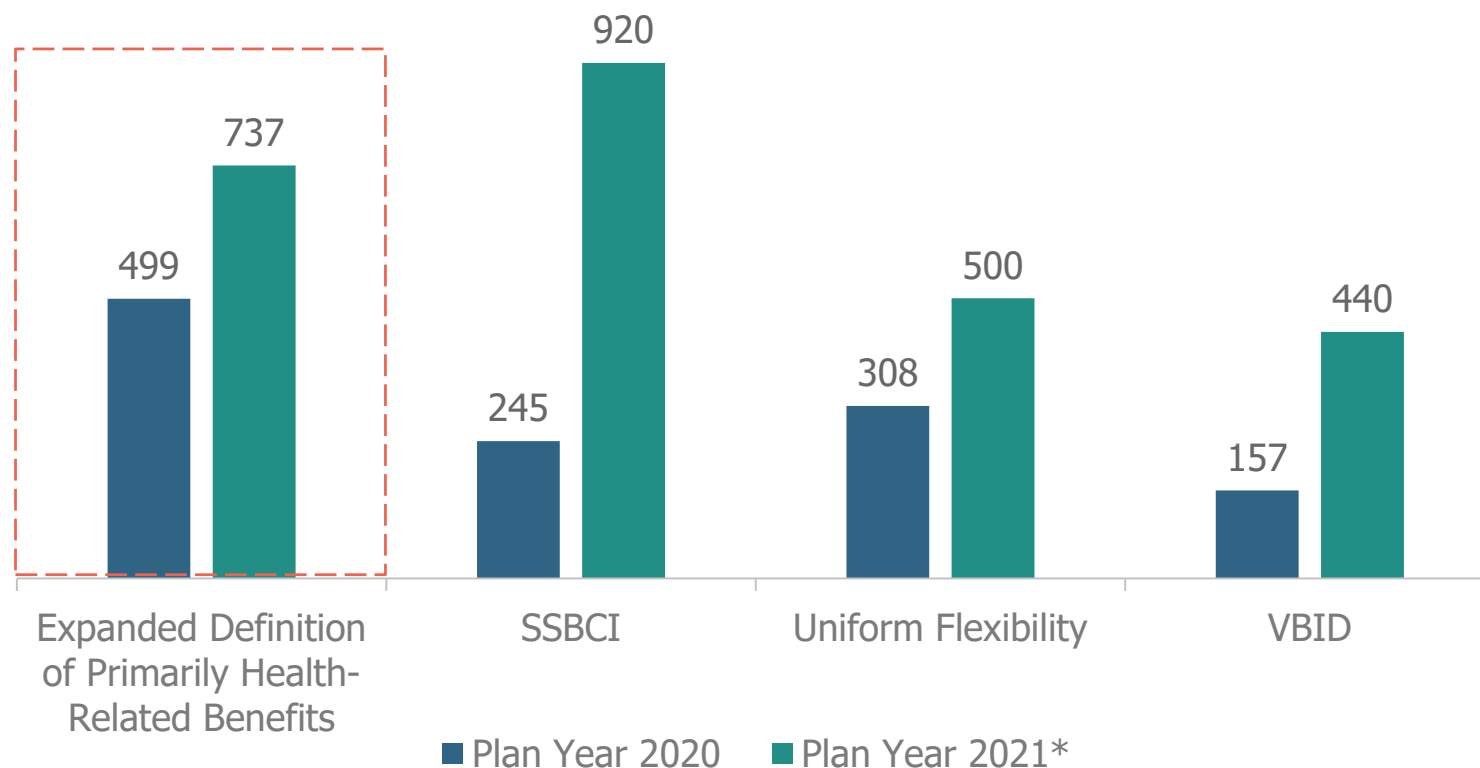
Non-Medical Supplemental Benefits in Medicare Advantage: **Policy Brief**

This work supports the advancement of consensus-based *Guiding Principles* in practice

Guiding Principles inform benefit design, regulation development, and serve as basis of a common language around these benefits

Number of Plans Using Supplemental Benefit Authorities Grew Dramatically from 2020 to 2021

Number of Plans Using Different Supplemental Benefit Authorities

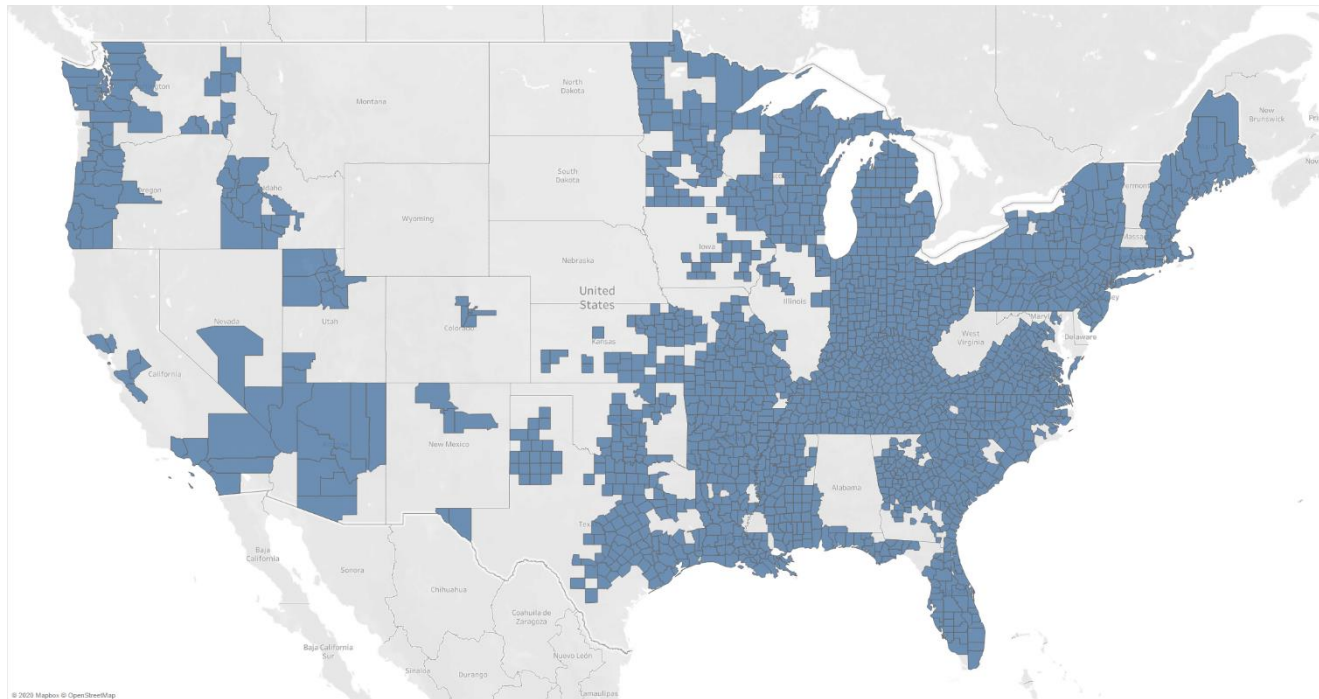


Note: Except for Primarily Health-Related Benefits, Plan Year 2021 numbers are approximate, from CMS press release. Source(s): ATI Advisory analysis of CMS PBP files. CMS Press Release released September 24, 2020: <https://www.cms.gov/newsroom/press-releases/trump-administration-announces-historically-low-medicare-advantage-premiums-and-new-payment-model>.

New Primarily Health-Related Supplemental Benefits Offered in 42 States in 2021

Number of Plans Offering these Benefits in 2020	Number of Plans Offering these Benefits in 2021
499 (361 excluding D-SNPs)	737 (583 excluding D-SNPs)

Map of Counties Offering New Primarily Health-Related Supplemental Benefits in CY 2021 (including D-SNPS)



Source: ATI Advisory analysis of CMS PBP files, includes D-SNPs, excludes PDPs, MMPs, Part B-only plans, and PACE.

Home-Based Support Services Lead Growth in New Primarily Health-Related Benefits

Benefit	Number of Plans Offering in 2020	Number of Plans Offering in 2021
In-Home Support Services	223	429
Adult Day Health Services	84	127
Home-Based Palliative Care	61	134
Support for Caregivers of Enrollees	125	95
Therapeutic Massage	230	176
Total (offering at least 1 of these benefits)	499	737

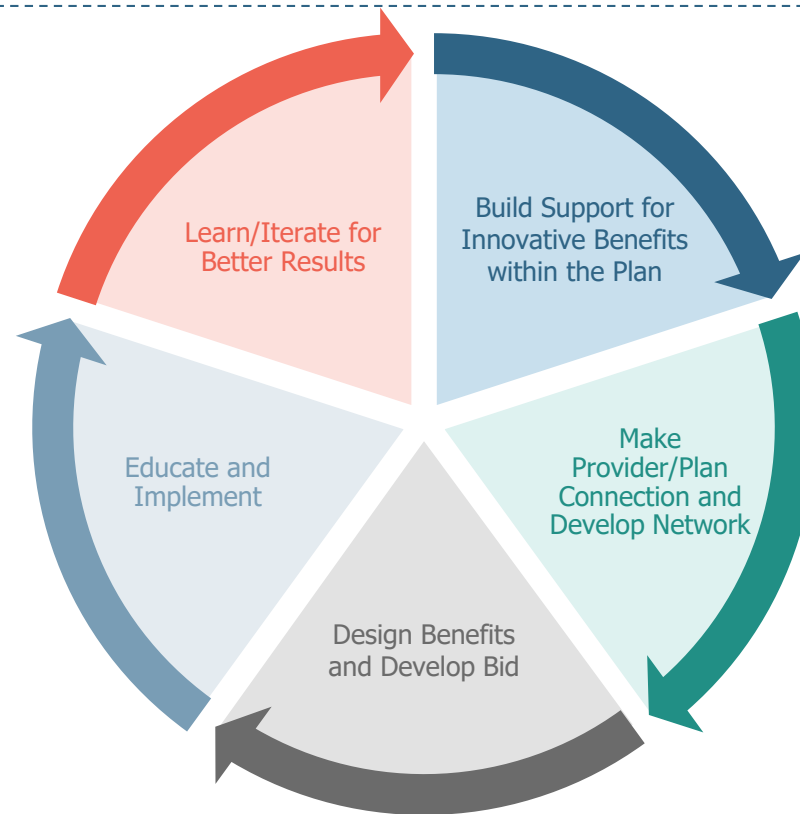
Note: For all analyses and throughout these charts, a 'plan' is defined as the combination of a Contract Number, Plan ID, and Segment ID. Analyses capture benefits that are filed under specific variables for the benefits above and do not capture benefits filed under "Other" categories.

Source: ATI Advisory analysis of CMS PBP files, excludes PDPs, MMPs, Part B-only plans, and PACE.

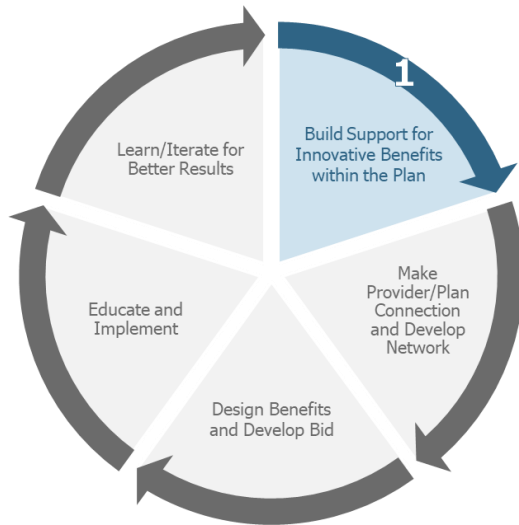
Roadmap Emerging to Guide Plans Offering Expanded Supplemental Benefits

Roadmap Input and Findings:

- Market research included interviews with 20+ MAOs, providers, and beneficiary advocates
- Identified 5 key steps, associated roadblocks, and practical strategies to overcome



Step 1: Build Support for Innovative Benefits within the Plan



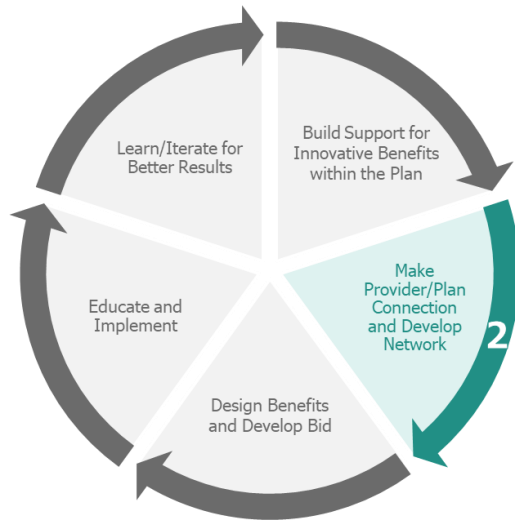
1. Build Support for Innovative Benefits within the Plan

Roadblock: MA organizational culture and comfort with uncertainty deters uptake

- Identify (or be) an internal advocate for new, innovative benefits
- Identify the benefits members and staff want
- Bring data and results to the conversation
- Test a new benefit offering

- Plan finding
- Provider finding

Step 2: Make Provider/Plan Connection and Develop Network




2. Make Provider/Plan Connection and Develop Network


Roadblock: Providers lack access to plan's team that develops supplemental benefits

 Use every tool available to connect to the right person in the plan

Roadblock: A single provider often cannot serve a plan's entire service area


 Digital health and third-party aggregators can provide solutions


Roadblock: Providers are experiencing contracting overload



 National associations, franchisors, and third-party entities can help build infrastructure

 Review contracts to streamline requirements

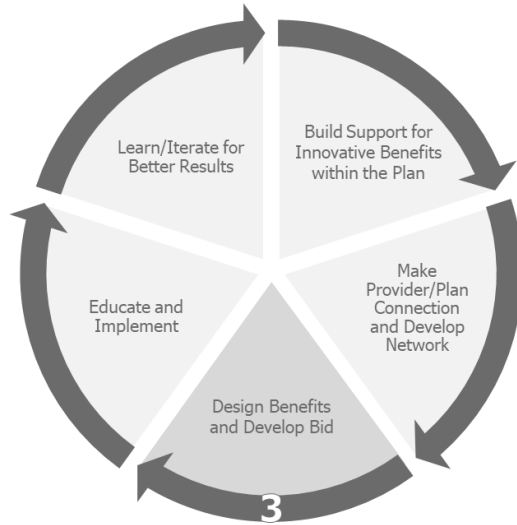
Roadblock: Lower-volume services may require a higher level of payment

 Provide information about requirements that drive costs

 Work with plans to offer high value, sustainable benefits

 Plan finding
 Provider finding

Step 3: Design Benefits and Develop Bid



3. Design Benefits and Develop Bid

Roadblock: Benefits can be costly to provide to all members

- ☑ Target costly benefits to the highest-need members

Roadblock: Plans must determine who is eligible for the benefit

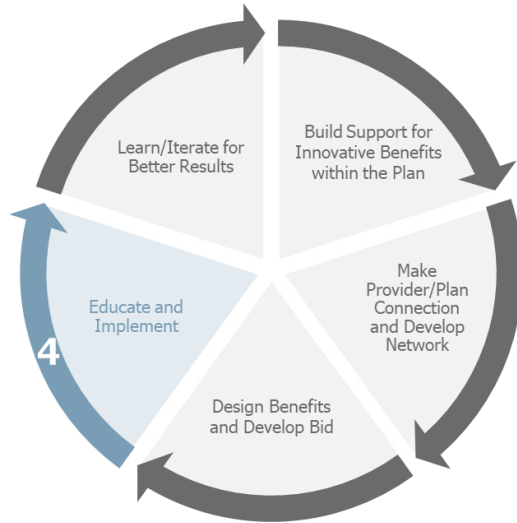
- ☑ Make benefits available through a care manager
- ☑ Advocate for CMS to provide examples of what does and does not meet the three-part test

Roadblock: CMS expresses concerns about a proposed benefit offering

- ☑ Design benefits to meet statutory and regulatory requirements

- ☑ Plan finding
- ☑ Provider finding

Step 4: Educate and Implement



4. Educate and Implement

Roadblock: Members do not know they are eligible for a service or how to access it

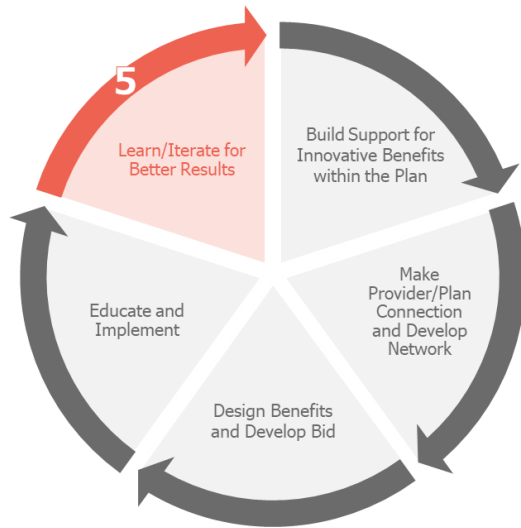
- Communicate early and often
- Build an infrastructure for eligibility and referral
- Educate information providers

Roadblock: Key staff may not know the benefit is available or how to access it

- Educate staff about benefit offerings
- Educate care managers and discharge planners about a benefit and its impact
- Educate network providers

- Plan finding
- Provider finding

Step 5: Learn/Iterate for Better Results



5. Learn/Iterate for Better Results

Roadblock: Members are not using these benefits

- Assess the “why”
- Try innovative benefit offerings that provide more flexibility and choice

Roadblock: Collecting evidence is difficult

- Identify a matched-comparison group
- Used informal evaluations and feedback

Roadblock: Benefits may appear to cost more than they save, but care managers, providers, and/or members report high value

- Assess how the benefit is sized and targeted

Roadblock: Plans are not incentivized to share their learnings with other plans

- Share key findings through trusted and neutral third parties

- Plan finding
- Provider finding

Looking Forward – Policy Opportunities

Short-Term Policy Opportunities for CMS:

- ☐ Provide more clarity and technical assistance for MAOs on allowable benefits and targeting criteria
- ☐ Improve CMS marketing guidance and consumer information
- ☐ Release guidance around non-medical supplemental benefits earlier in the bid process

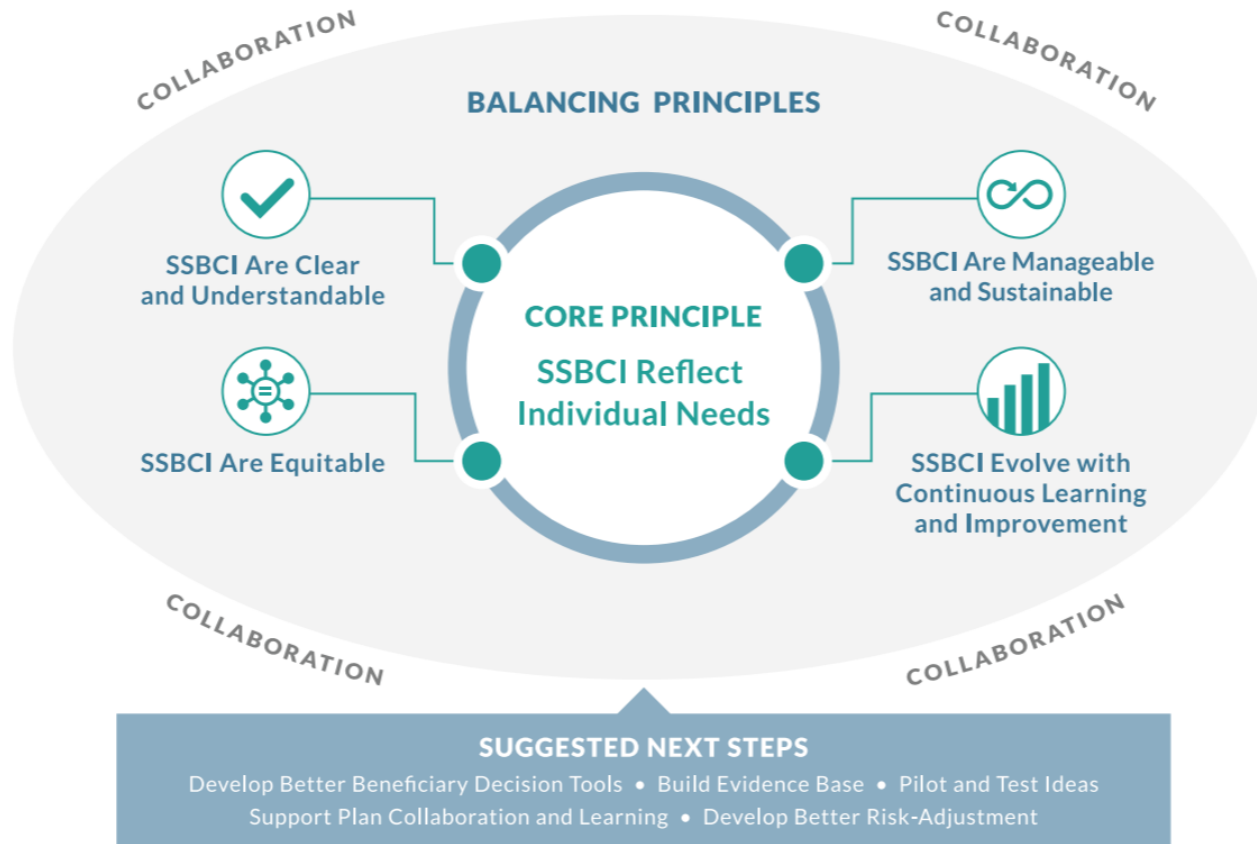
Long-Term Policy Opportunities:

- ☐ Encourage learning between plans, providers, and other stakeholders
- ☐ Consider options to improve sustainability of non-medical benefits

Consensus-Based Principles for SSBCI Guide Work

A TURNING POINT IN MEDICARE POLICY:

Guiding Principles for New Flexibility Under Special Supplemental Benefits for the Chronically Ill



Source: A Turning Point in Medicare Policy: Guiding Principles for New Flexibility Under Special Supplemental Benefits for the Chronically Ill. Available at https://atiadvisory.com/wp-content/uploads/2019/07/2019-07-24_GuidingPrinciplesForSSBCI.pdf.



Download Today: Roadmap and Policy Brief

<https://atiadvisory.com/Advancing-Non-Medical-Supplemental-Benefits-in-Medicare-Advantage/> |

Reflections on Opportunities for Health Plans and Partners to Implement New Supplemental Benefits

Dr. Sachin Jain, MD, MBA, President and Chief Executive
Officer of SCAN Group and Health Plan

Question & Answer



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- Published a study about your complex care program?

The Playbook welcomes content submissions to help spread best practices in complex care.

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