Medicare Advantage and the *CHRONIC* Care Act
Implementing Innovative, Nonmedical Solutions for Older Adults

January 7, 2020

Join the Conversation:
@LTQA  
@Daughterhood  
@TheSCANFndtn  
#MedicareTurningPoint
Agenda

• Welcome and Remarks from The SCAN Foundation
  – Bruce Chernof, President and CEO, The SCAN Foundation

• Overview and Presentation of Guiding Principles
  – Mary Kaschak, Executive Director, Long-Term Quality Alliance

• Opening Keynote Remarks: Legislative Efforts to Improve Care for Individuals with Chronic Illnesses
  – The Honorable Senator Mark Warner (VA)

• Policy Panel and Q&A
  – Moderator: Gretchen Alkema, Vice President of Policy & Communications, The SCAN Foundation
  – Panelist 1: Anne Tumlinson, CEO, Anne Tumlinson Innovations
  – Panelist 2: Jennifer Kowalski, Vice President, Anthem Public Policy Institute
  – Panelist 3: Howard Bedlin, Vice President, Public Policy and Advocacy, National Council on Aging

• Closing Remarks
Welcome and Remarks from The SCAN Foundation

Bruce Chernof, President and CEO, The SCAN Foundation
Overview and Presentation of Guiding Principles

Mary Kaschak, Executive Director, Long-Term Quality Alliance
What are Seniors’ Options in Medicare?

<table>
<thead>
<tr>
<th>Medicare Fee-For-Service (FFS) (“Original” Medicare)</th>
<th>Medicare Advantage (MA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Federal government pays directly for healthcare costs</td>
<td></td>
</tr>
<tr>
<td>• To fill coverage gaps, individuals may choose to buy</td>
<td></td>
</tr>
<tr>
<td>➢ Supplemental Insurance: Covers co-pays, deductibles, and other non-covered benefits under Medicare</td>
<td></td>
</tr>
<tr>
<td>• Private insurance companies (HMOs) contract with the federal government to offer “Medicare plans” to older adults</td>
<td></td>
</tr>
<tr>
<td>• In exchange for a flat monthly fee, insurance companies are responsible for all healthcare costs (as provided in plan documents) for people who enroll in their plan</td>
<td></td>
</tr>
<tr>
<td>• Medicare Advantage plans have authority to provide additional supplemental benefits, such as:</td>
<td></td>
</tr>
<tr>
<td>- Preventative care</td>
<td></td>
</tr>
<tr>
<td>- Dental</td>
<td></td>
</tr>
<tr>
<td>- Vision</td>
<td></td>
</tr>
<tr>
<td>- Podiatry</td>
<td></td>
</tr>
<tr>
<td>- Hearing exams and aides</td>
<td></td>
</tr>
</tbody>
</table>

Your work has created authority to allow Medicare Advantage plans to offer innovative benefits that cover nonmedical supports and services and that address social determinants of health (SDOH).
Chronic Conditions Are Prevalent in Medicare Advantage

### Percentage of Medicare Beneficiaries with Chronic Conditions

<table>
<thead>
<tr>
<th>Condition</th>
<th>Medicare Advantage</th>
<th>Fee-for-Service Medicare</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHF</td>
<td>6.3%</td>
<td>6.9%</td>
</tr>
<tr>
<td>COPD</td>
<td>20.0%</td>
<td>19.5%</td>
</tr>
<tr>
<td>Diabetes</td>
<td>33.1%</td>
<td>30.4%</td>
</tr>
<tr>
<td>Diagnosed with Dementia or Alzheimer's</td>
<td>8.3%</td>
<td>7.6%</td>
</tr>
</tbody>
</table>

Notes: Data excludes nursing home residents. Beneficiaries may appear in more than one condition category, so percentages do not add to 100. Source: Anne Tumlinson Innovations analysis of 2016 Medicare Current Beneficiary Survey.
Implementation of the *CHRONIC* Care Act

- **Special Supplemental Benefits for the Chronically Ill (SSBCI)** were introduced through the *CHRONIC* Care Act, authorized by Section 50322 of the Bipartisan Budget Act of 2018.

- The Act allows “...an MA plan [to] provide supplemental benefits to a chronically ill enrollee, that have a reasonable expectation of improving or maintaining the health or overall function of the chronically ill enrollee.”

- For the first time in Medicare history, Medicare Advantage plans can now offer nonmedical benefits such as:
  - Meals (beyond a limited basis)
  - Food and Produce
  - Transportation for Non-Medical Needs
  - Pest Control
  - Indoor Air Quality Equipment and Services
  - Social Needs Benefits
  - Complementary Therapies
  - Services Supporting Self-Direction
  - Structural Home Modifications
  - General Supports for Living
MA Plans Can Offer Other Supplemental Benefits

In addition to SSBCI, the Centers for Medicare and Medicaid Services (CMS) also recently expanded the definition of the types of supplemental benefits Medicare Advantage plans can offer.

<table>
<thead>
<tr>
<th>Expansion of Definition of ‘Primarily Health Related’ Supplemental Benefits</th>
<th>Special Supplemental Benefits for the Chronically Ill (SSBCI)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Must be health related?</strong></td>
<td>Yes</td>
</tr>
</tbody>
</table>
| **Examples of Benefits:** | • Adult Day Care Services  
• Home-Based Palliative Care  
• In-Home Support Services  
• Support for Caregivers of Enrollees  
• Medically-Non-Opioid Pain Management  
• Stand-alone Memory Fitness Benefit  
• “Home & Bathroom Safety Devices & Modifications”  
• Transportation  
• Over-the-Counter Benefits | • Meals  
• Food and Produce  
• Transportation for Nonmedical Needs  
• Pest Control  
• Indoor Air Quality Equipment and Services  
• Social Needs Benefits  
• Complementary Therapies  
• Services Supporting Self-Direction  
• Structural Home Modifications  
• General Supports for Living |
| **How many Medicare Advantage plans are offering these benefits in Calendar Year 2020?**  
(According to CMS press release) | Approximately 500 | Approximately 250 |

Sources: CMS’ Memo ‘Reinterpretation of “Primarily Health Related” for Supplemental Benefits’ (April 2018) and CMS’ Memo ‘Implementing Supplemental Benefits for Chronically Ill Enrollees’ (April 2019)
Guiding Principles for New Flexibility Under SSBCI
Who Was Involved in Designing These Principles?

In response to the introduction of these benefits, Anne Tumlinson Innovations (ATI) and the Long-Term Quality Alliance (LTQA), supported by a grant from The SCAN Foundation, convened a working group comprised of a diverse array of national experts on Medicare Advantage and long-term services and supports. The working group consisted of:

**Melinda Abrams**
Senior Vice President, Delivery System Reform, The Commonwealth Fund

**Gretchen Alkema**
Vice President of Policy and Communications, The SCAN Foundation

**Larry Atkins**
Executive Director, National MLTSS Health Plan Association

**Howard Bedlin**
Vice President, Public Policy and Advocacy, National Council on Aging

**Laura Chaise**
Vice President, Long Term Services and Supports and Medicare-Medicaid Plans, Centene

**Henry Claypool**
Policy Director, Community Living Center, UCSF

**Marc Cohen**
Co-Director, LeadingAge LTSS Center @Umass Boston and Research Director, Center for Consumer Engagement in Health Innovation

**Lindsey Copeland**
Federal Policy Director, Medicare Rights Center

**Nicole Fallon**
Vice President, Health Policy and Integrated Services, LeadingAge

**Marty Ford**
Senior Advisor, The Arc of the United States

**Wendy Fox-Grage**
Senior Strategic Policy Advisor, AARP Public Policy Institute

**Danielle Garrett**
Strategic Policy Manager, Community Catalyst

**Howard Gleckman**
Senior Fellow, Urban Institute

**Jennifer Goldberg**
Deputy Director, Justice in Aging

**Katherine Hayes**
Director of Health Policy, Bipartisan Policy Center

**Kathy Hempstead**
Senior Policy Adviser, Robert Wood Johnson Foundation

**Greg Jones**
Senior Director, Public Policy, CVS Health, Aetna

**Keavney Klein**
Senior Counsel, Government Relations, Kaiser Permanente

**Tom Kornfield**
Vice President, Medicare Policy, AHIP

**Jennifer Kowalski**
Vice President, Public Policy Institute, Anthem

**Christine Aguiar Lynch**
Vice President, Medicare and MLTSS Policy, Association for Community Affiliated Plans

**Kedar Mate**
Chief Innovation and Education Officer, Institute for Healthcare Improvement

**James Michel**
Director, Policy and Research, Better Medicare Alliance

**Lindsey Copeland**
Federal Policy Director, Medicare Rights Center

**Nicole Fallon**
Vice President, Health Policy and Integrated Services, LeadingAge

**Marty Ford**
Senior Advisor, The Arc of the United States

**Wendy Fox-Grage**
Senior Strategic Policy Advisor, AARP Public Policy Institute

**Jennifer Goldberg**
Deputy Director, Justice in Aging

**Katherine Hayes**
Director of Health Policy, Bipartisan Policy Center

**Kathy Hempstead**
Senior Policy Adviser, Robert Wood Johnson Foundation

**Greg Jones**
Senior Director, Public Policy, CVS Health, Aetna

**Keavney Klein**
Senior Counsel, Government Relations, Kaiser Permanente

**Tom Kornfield**
Vice President, Medicare Policy, AHIP

**Jennifer Kowalski**
Vice President, Public Policy Institute, Anthem

**Christine Aguiar Lynch**
Vice President, Medicare and MLTSS Policy, Association for Community Affiliated Plans

**Kedar Mate**
Chief Innovation and Education Officer, Institute for Healthcare Improvement

**James Michel**
Director, Policy and Research, Better Medicare Alliance

**Cheryl Phillips**
President and CEO, SNP Alliance

**Ken Preede**
Vice President, Government Relations, Commonwealth Care Alliance

**Sarah Snyder Rayel**
Director, Medicare Policy, Blue Cross Blue Shield Association

**Allison Rizer**
Vice President, Policy and Strategy, UnitedHealthcare Community & State

**Marisa Scala-Foley**
Director, Aging and Disability Business Institute, National Association of Area Agencies on Aging

**Nora Super**
Senior Director, Center for the Future of Aging, Milken Institute

**Lucy Theilheimer**
Chief Strategy and Impact Officer, Meals on Wheels America
Why “Principles?”

- SSBCI represent a **turning point** in Medicare policy.
- For the first time, Medicare allows coverage of non-primarily health related benefits through the Medicare Advantage program, as well as significant flexibility around who is eligible for these benefits and the services they receive.
- We need **foundational principles** that can inform regulation development, benefit design, and form the basis of a common language for everyone, including:
  - CMS and affiliates (OMB, ACL)
  - Health plans
  - Delivery systems
  - Advocates
  - Congress and affiliates (GAO, CRS)
A TURNING POINT IN MEDICARE POLICY:
Guiding Principles for New Flexibility Under Special Supplemental Benefits for the Chronically Ill

The Guiding Principles

CORE PRINCIPLE
SSBCI Reflect Individual Needs

Balancing Principles

SSBCI Are Clear and Understandable
SSBCI Are Manageable and Sustainable
SSBCI Are Equitable
SSBCI Evolve with Continuous Learning and Improvement

Suggested Next Steps
Develop Better Beneficiary Decision Tools • Build Evidence Base • Pilot and Test Ideas
Support Plan Collaboration and Learning • Develop Better Risk-Adjustment
## Core Principle and Balancing Principles

### Core Principle: SSBCI Reflect Individual Needs
SSBCI flexibility—in benefit flexibility, types of services, and providers—allows for Medicare Advantage plans to meet the individual needs of chronically ill beneficiaries.

<table>
<thead>
<tr>
<th>Balancing Principle 1: SSBCI Are Clear and Understandable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key stakeholders, including Medicare beneficiaries and their caregivers, providers, payers, enrollment counselors, and states understand SSBCI as well as its limitations and the circumstances under which they are available.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balancing Principle 2: SSBCI Are Equitable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chronically ill Medicare Advantage enrollees receive SSBCI in a consistent, equitable, and nondiscriminatory manner that determines and meets individual need based on chronic illness and functional status.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balancing Principle 3: SSBCI Are Manageable and Sustainable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare program regulations and guidance, such as rate structures and quality measures, support Medicare Advantage plans in offering, managing, and sustaining their inclusion of SSBCI in MA plan benefit packages.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balancing Principle 4: SSBCI Evolve with Continuous Learning and Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>The federal Department of Health and Human Services (HHS) and CMS, in conjunction with Medicare Advantage plans and other stakeholders, evaluate and measure the extent to which SSBCI are contributing toward meeting the needs of chronically ill enrollees and adapt SSBCI accordingly based on learnings.</td>
</tr>
</tbody>
</table>
Next Steps for the Guiding Principles

Balancing Principle 1: SSBCI Are Clear and Understandable
- Develop better beneficiary decision tools and information
- Increase beneficiary and family caregiver education
- Raise awareness

Balancing Principle 2: SSBCI Are Equitable

Balancing Principle 3: SSBCI Are Manageable and Sustainable
- Develop better risk adjustment

Balancing Principle 4: SSBCI Evolve with Continuous Learning and Improvement
- Support plan collaboration and learning
- Build the evidence base
- Pilot and test ideas
An Early Look at Calendar Year 2020

• With the help of the SSBCI Guiding Principles Working Group, Anne Tumlinson Innovations (ATI) and the Long-Term Quality Alliance (LTQA) have engaged in work to understand how these innovative benefits are being offered in the coming year.

• A CMS press release stated that approximately 500 plans will be offering new primarily health related supplemental benefits and 250 plans will be offering SSBCI.

An Early Look of Calendar Year 2020

• Early looks at publicly-available data from CMS indicate that 512 plans will be offering at least one of the new supplemental benefits below:

<table>
<thead>
<tr>
<th>New Supplemental Benefit</th>
<th>Number of Plans Offering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Therapeutic Massage</td>
<td>242</td>
</tr>
<tr>
<td>Adult Day Health Services</td>
<td>85</td>
</tr>
<tr>
<td>Home-Based Palliative Care</td>
<td>61</td>
</tr>
<tr>
<td>In-Home Support Services</td>
<td>223</td>
</tr>
<tr>
<td>Support for Caregivers of Enrollees</td>
<td>125</td>
</tr>
</tbody>
</table>

• Awaiting January release of publicly-available data showing SSBCI.

Source: Anne Tumlinson Innovations analysis of PBP files.
Keynote Remarks: Legislative Efforts to Improve Care for Individuals with Chronic Illnesses

The Honorable Senator Mark Warner (VA)
Policy Panel and Q&A

Moderator: Gretchen Alkema, Vice President of Policy & Communications, The SCAN Foundation

Panelists:
- Anne Tumlinson, CEO, Anne Tumlinson Innovations
- Jennifer Kowalski, Vice President, Anthem Public Policy Institute
- Howard Bedlin, Vice President, Public Policy and Advocacy, National Council on Aging
Closing Remarks
Gretchen Alkema, Vice President of Policy & Communications, The SCAN Foundation