



January 16, 2018

Ms. Seema Verma
Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Attention: CMS-5522-P
P.O. Box 8013
Baltimore, MD 21244-8013

Re: Medicare Program; Contract Year 2019 Policy and Technical Changes to the Medicare Advantage, Medicare Cost Plan, Medicare Fee-for-Service, the Medicare Prescription Drug Benefit Programs, and the PACE Program

Dear Administrator Verma:

The Smarter Health Care Coalition (Coalition) appreciates the opportunity to provide comments in response to the Medicare Program; Contract Year 2019 Policy and Technical Changes to the Medicare Advantage, Medicare Cost Plan, Medicare Fee-for-Service, the Medicare Prescription Drug Benefit Programs, and the PACE Program proposed rule.

The Coalition represents a broad-based and diverse group of health care innovators, including health plans, life science companies, employer groups, provider-related organizations, trade associations, academia centers and professors, foundations, and consumer groups. Our goal is to leverage our combined perspectives and experiences to achieve smarter health care that improves the patient experience, particularly through integrating benefit design innovations and consumer/patient engagement within broader delivery system reform to better align coverage, quality, and value-based payment goals.

A key focus of the Coalition includes the application and implementation of clinically nuanced, value-based insurance design (V-BID) principles to delivery systems and other areas to provide patients better access to care, which is truly beneficial to them based on their individual conditions and needs. We believe that the Coalition's efforts and focus on V-BID aligns with the agency's focus, particularly with the proposed rule policies to expand V-BID principles to Medicare Advantage (MA).

In this comment letter, we provide comments in response to the proposed flexibility for the Medicare Advantage uniformity requirements.

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Proposed Flexibility of Medicare Advantage Uniformity Requirements and Supplemental Benefits

CMS is proposing to increase the flexibility in the MA uniformity requirements by allowing MA plans the ability “to reduce cost sharing for certain covered benefits, offer specific tailored supplemental benefits, and offer lower deductibles for enrollees that meet specific medical criteria.” Under this flexibility, MA plans would have the ability to tailor the cost sharing and benefits to their enrollees based on “objective and measurable” medical criteria. CMS indicates that the agency will be reviewing the benefit designs and cost sharing reductions to ensure that they are in compliance with non-discrimination responsibilities and obligations. Furthermore, the agency is proposing to allow MA plans to vary supplemental plans by plan segment, as long as the supplemental benefits are uniform within a segment.

The Coalition strongly supports and commends the agency for these proposed flexibilities that would allow MA plans to apply V-BID principles to the cost sharing and other benefits offered to their enrollees. Application of V-BID to MA uniformity requirements represents an opportunity to lower patient cost-sharing, to promote access to evidence-based, clinical services, and high-value medications, particularly those used to treat and manage chronic disease, and encourage the use of high-quality providers. We applaud the agency for the proposed safeguards to ensure non-discrimination responsibilities and obligations are upheld for enrollees.

Additionally, the Coalition urges the agency to further take into consideration social determinants of health that are often key drivers of health care utilization and costs. As such, we recommend that, in addition to “objective and measurable” medical criteria, the agency permit MA plans to tailor their cost sharing and benefits based on other objective criteria, such as indicated by eligibility for low income subsidy (LIS) under Part D, and allow MA plans to provide and tailor benefits that address social determinants. The agency should also allow MA plans to offer a wider array of supplemental benefits—not limited to primarily health related services—to chronically ill patients, similar to the provisions in Section 302 of the Creating High-Quality Results and Outcomes Necessary to Improve Chronic (CHRONIC) Care Act of 2017, S. 870.¹ Furthermore, we encourage the agency to consider alignment of the benefits in MA and other CMS quality programs, as appropriate. We believe that this would ensure that the application of V-BID principles is truly impactful to improving high-value care while reducing unnecessary costs and services, and meets the varying needs of an MA plan’s enrollees.

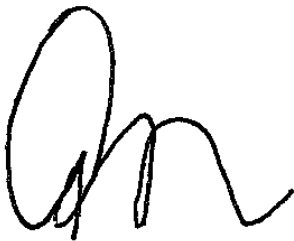
Furthermore, while the MA V-BID Demonstration applies to both Part C and Part D, CMS has proposed to limit the uniformity requirements’ flexibility to only Part C. The Coalition encourages the agency to extend this flexibility to the Part D program as well, so patients can have more accessible and affordable options for prescription drugs that could help them better manage their chronic conditions.

¹ <https://www.congress.gov/115/bills/s870/BILLS-115s870rfh.pdf>

A growing body of peer-reviewed evidence shows that cost sharing and benefit design can play an important role in ensuring access to and appropriate utilization of high-value care. Some of our Coalition participants have contributed to and continue to further this research.² The future flexibility for the uniformity requirements as proposed in this rule, in combination with the MA V-BID demonstration currently underway by the CMS Innovation Center, will help build on existing evidence indicating that appropriate reductions in out-of-pocket expenses for services with high clinical value can improve utilization of such services and improve health outcomes.

As the agency implements the flexibilities for uniformity requirements and supplemental benefits, the Smarter Health Care Coalition is ready to assist in advancing your efforts to improve the health outcomes of Medicare Advantage enrollees by expanding V-BID principles. If you have any questions, please contact Andrew MacPherson or Ray Quintero, Co-Directors of the Coalition, at andrew@healthsperien.com or rquintero@healthsperien.com.

Sincerely,

A handwritten signature in black ink, appearing to be 'Am', with a large loop at the start and a trailing flourish.

Andrew MacPherson, Co-Director

A handwritten signature in black ink, appearing to be 'RQ', with a large loop at the start and a trailing flourish.

Ray Quintero, Co-Director

² See University of Michigan V-BID Center resource database, <http://vbidcenter.org/resources/publications/>.