



January 16, 2018

The Honorable Seema Verma
Administrator
Centers for Medicare and Medicaid Services
7500 Security Blvd.
Baltimore, MD 21244

Comments submitted electronically via <http://www.regulations.gov>

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 (CMS-4182-P)

Dear Administrator Verma:

Blue Cross Blue Shield of Massachusetts ("BCBSMA") appreciates the opportunity to provide comments on the *Proposed Rule: 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 (CMS-4182-P)*.

BCBSMA is one of 36 locally-based, community operated Blue Cross and Blue Shield Plans that collectively provide health benefits to nearly 98 million Americans and contract with hospitals and physicians in every U.S. zip code.

At Blue Cross Blue Shield of Massachusetts, our highest priority is to make quality health care affordable for individuals, families and employers who have made us the health plan of choice in Massachusetts. Our promise and vision guide our efforts to create greater value for our members and employers. Founded in 1937 by a group of community-minded business leaders, BCBSMA is the leading private health plan in the Commonwealth—a not-for-profit company with a proud history of community and health care leadership.

Additionally, BCBSMA has a demonstrated commitment to provide coverage options for people with Medicare in Massachusetts. BCBSMA has continually offered Medicare supplement plans since the Medicare program began in 1966. There are currently about 50,000 members enrolled in the various Medicare Advantage plan options.

Our HMO and PPO Blue Medicare Advantage plans consistently rank among the highest quality plans in the country. Our Medicare Advantage HMO and PPO plans have achieved a 4.5 Star rating or higher for six consecutive years.

At BCBSMA, we have been committed to enhancing care coordination and improved quality outcomes for our members. In addition to working with the providers in our network, we have invested in developing products to meet the unique needs of our

members, including designing a low-cost or zero-premium Medicare Advantage option so as to deliver value to a broader population of Medicare beneficiaries. It is with this experience and background in the Medicare program that we respectfully offer comments to CMS on the following proposed policy issues.

Flexibility in Medicare Advantage Uniformity Requirements (§422.100(d))

Proposal: CMS proposes to permit Medicare Advantage Organizations (MAOs) the ability to offer disease-tailored benefit designs, including 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, provided that similarly situated individuals are all treated the same. For contract year 2019, CMS is considering issuing guidance clarifying the flexibility MA plans have to offer targeted supplemental benefits for their most medically vulnerable enrollees, and notes that this benefit and cost sharing flexibility applies to Part C benefits, but not Part D.

Recommendation: BCBSMA appreciates CMS efforts to increase the opportunities available to plans to further tailor benefits to meet the needs of its Medicare Advantage members. The flexibility contemplated in the proposal is an important step in increasing the value of the Medicare Advantage plan for a particular member. Importantly, it is what our members in our commercial products have come to expect. As you know, value-based benefits are well-accepted approaches in an effort to both improve member experience as well as the long term health of the Medicare population.

In addition to the flexibility offered in this proposal, BCBSMA also strongly recommends that CMS allow plans flexibility to provide additional Medicare member value by allowing for additional cost-sharing differentials to high value providers under this proposal. We encourage CMS to provide a “waiver” from service area requirements to allow members to receive benefits by virtue of the selection of a high value provider. This is an important component to successful alignment of benefits and enhanced care. As a foundational participant in the Value Based Insurance Design (VBID) program, BCBSMA also advocates for the ability to differentiate member benefits and provider reimbursement under a high quality designation. Furthermore, BCBSMA would also recommend that this additional flexibility be provided to Part D plans under this proposal.

Meaningful Differences in MA Bid Submission and Bid Review (§§422.254 and 422.256)

Proposal: CMS proposes to eliminate the meaningful difference requirement for MA organizations (§§422.254(a)(4) and 422.256(b)(4) beginning in CY 2019.

Recommendation: BCBSMA supports the proposal to eliminate the meaningful difference requirement. In addition to the benefits noted in the proposal, we would also emphasize the importance of this policy change by CMS to facilitate the goal of flexibility for plans. Removing this requirement would allow plans to design and implement a high value benefit, which is beneficial to CMS and its Medicare members, and it is important that plans not be constrained by the meaningful difference requirement.

Medicare Advantage and Part D Prescription Drug Plan Quality Rating System

Recommendation: BCBSMA agrees with the overall approach that CMS takes to improving the Star Rating program and appreciates the efforts to recognize that plan specific performance on quality is important. In particular, BCBSMA agrees with the new CMS proposal to set rules for the calculation of Star Ratings when contracts are consolidated. BCBSMA believes that this new approach is consistent with providing more useful and accurate information for consumers to use while evaluating their Medicare coverage options.

We further encourage CMS to base plan performance in the Star Rating program on absolute rather than relative outcomes. The Star Rating program is intended to measure the quality of care for Medicare members by Medicare organizations. When utilizing this information, the Medicare consumer is likely to assume the rating is based on the plan's specific performance. However, basing the measurement on relative performance does not reflect the plan's actual performance. BCBSMA recommends, therefore, that plans that meet prescriptive outcome requirements of the Star Rating program be rewarded on their absolute performance rather than relative to the performance of other plans. Additionally, as data and analytics have matured, we recommend that Star Rating program weigh those measures based on outcomes data rather than those from subjective sources.

BCBSMA would further recommend that CMS reflect plan performance in such a way that is consistent with the experience of a beneficiary in the local area. Currently, Star Ratings can encompass the performance of a contract across multiple regions. The expectation of consumers when they are shopping for a plan is that the Star Ratings reflect the performance of the plan that they seek to purchase. As currently designed, the ratings for some plans do not accurately reflect the quality of products available to a local consumer but instead may reflect the performance of the plan in distant states or regions. CMS could mitigate this potential confusion by changing the way in which a plan's rating is calculated such that this information is displayed to consumers in a more targeted and local manner which better reflects the communities in which beneficiaries purchase their coverage.

Thank you for the opportunity to provide recommendations and insight on this important proposed rule. If you have any questions or would like further information, please contact Deirdre Savage at 617-246-3359 or at deirdre.savage@bcbsma.com.

Sincerely,



Deirdre W. Savage
Vice President
Blue Cross Blue Shield of Massachusetts