

June 16th, 2025

Response to CMS-0042-NC: Request for Information on Health Technology Ecosystem

Submitted by: Soda Health, Inc.

Background

Soda Health is a technology company that administers Smart Benefits to connect people to the products and services they need, when they need them, so they can live healthier lives. We partner with health plans, providers, states, and retailers to deliver expansive benefits for things like healthy foods, over the counter medications, or transportation. Soda Health is reinventing benefits administration so that everyone benefits, with more value for each and better outcomes for all.

Soda Health's founders bring decades of experience in healthcare, retail, and technology. Prior to launching Soda Health, they built and scaled a major national retailer's flex card business from the ground up, overseeing 45 million supplemental benefits transactions requiring restricted spend capabilities. They had a front row seat to the poor beneficiary experience, lack of engagement, confusion, and missed opportunities created by incumbents who merely served as payments processors. They saw that supplemental benefits administration fundamentally underserved payers, providers, and beneficiaries, and they recognized that transformational change was within reach. Their conclusion? Achieving better health outcomes requires a purpose-built solution that (1) understands a person's underlying/evolving needs and (2) *can address them in real-time*.

Introduction

Soda Health appreciates the opportunity to provide public comments on this request for information (RFI) issued by the Centers for Medicare and Medicaid Services (CMS). In our view, supplemental benefits are an underutilized pathway to improving health through digital engagement and timely, transparent data access. With modern fintech and a consumer-grade beneficiary experience, supplemental benefits can serve as a powerful platform for designing better interventions, achieving better engagement on those interventions, assessing impacts with better reporting and transparency, and designing better benefits in a virtuous feedback cycle.

Real-Time Data Access and Transparency

Soda Health integrates directly with the retailers in our network to ensure accuracy with every transaction. We process assortment files (i.e., the file with all SKUs/UPCs that a retailer has in stock) daily, ensuring that our approved product lists (APLs) are always up to date compared to legacy solutions that update this information quarterly or annually, which prevents them from capturing the "churn" in this data. Because we receive assortment files and update APLs daily, our accuracy rate greatly exceeds the rest of the industry so that beneficiaries can reliably purchase eligible items, and only eligible items.

We partner with industry-leading financial institutions to ensure security and reliability in our payment processing. Our open-loop approach enables beneficiaries to use their benefits easily in a way they understand – by simply swiping their card at checkout. This modern fintech solution enables us to restrict transactions at the level most appropriate for the benefit – by merchant type, to specific merchants, and even to specific items or item categories.

We provide our payer partners with real-time visibility into benefits spend – down to the item level, which provides rich data on all transactions that exceeds CMS's evolving reporting requirements and enables evaluation of benefit efficacy to continually improve plan design.

Supplemental Benefits as a Platform for Engagement and Improved Outcomes

Beginning with Engagement – Digital health must begin with trust. We establish trust with our beneficiaries by delivering the exceptional experience that they deserve. We engage our beneficiaries in the channel they prefer – via phone, text message, online portal, or mobile application. As mentioned above, we achieve best-in-class accuracy rates to prevent beneficiary confusion or embarrassment at checkout. Should there be a problem with a transaction, our Customer Care team has real time access to detailed item level transaction information, allowing them to quickly resolve issues without needing to guess what was included in the transaction.

Aligned Incentives – To improve outcomes, the entire supplemental benefits value chain must have financially aligned incentives. Legacy solutions were built to make money on product transactions (e.g., OTC catalogs fulfilled by the vendors themselves) and interchange fees. Soda Health was built to achieve financial success by creating aligned incentives between the three constituencies in the value chain – the health plan, the beneficiary, and the retail network. We partner with the retailers in our network to leverage their unique assets to engage beneficiaries, educate consumers on healthy behaviors, close care gaps where beneficiaries already shop, and find ways to provide additional value for beneficiaries.

Personalized & Dynamic – The highly personalized nature of healthcare merits a supplemental benefits solution that is equally personal, unique, and individualized. In order to drive outcomes, a supplemental benefits solution should be dynamic and able to change with beneficiaries' needs. For example, approved product lists should be easily configured and adjustable based on a population's health conditions or based on a specific person's evolving health needs (e.g., a new chronic condition). It should also be able to adapt in real-time, as a person's needs are not the same on January 1st as they are on December 31st. Finally, supplemental benefits programs should include the foresight to identify and respond to non-medical needs (e.g., transportation, access to healthy food, etc.) so that we can impact underlying issues before they become health problems.

Better Outcomes – Not only should supplemental benefits be personalized, the insights generated from transactions should enable more tailored interventions to conduct outreach to beneficiaries and enroll them in programs or benefits most relevant to improving their health. Our engagement with beneficiaries is an opportunity to close gaps in care, screen for unidentified beneficiary needs before they become acute health problems and assist beneficiaries in navigating to the care they need, when and where they need it.

Conclusion: A Powerful Feedback Loop for Continuous Improvement

Fundamentally, our belief is that supplemental benefit spend should be more highly correlated with positive health outcomes. Supplemental benefits are a material investment for CMS; in return, CMS should expect the ability to determine Return on Investment (ROI) and ensure that every dollar spent and every interaction is helping to make beneficiaries healthier. We provide real-time, transparent data on supplemental benefits transactions, down to the item-level, that enables real ROI assessments and improved benefit design.

We look forward to continuing to partner with CMS and other industry partners to improve digital health, data access, and interoperability across the healthcare ecosystem.

Respectfully,

A handwritten signature in black ink that reads "Robby Knight". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Robby Knight
Chief Executive Officer, Soda Health