



**2019 HEALTH**  
MEETING

JUNE 24-26 | PHOENIX, AZ



## **Session 55, Medicare Advantage Unleashed: How Benefit Design Flexibility is Changing MA Benefit Package Design**

[SOA Antitrust Disclaimer](#)

[SOA Presentation Disclaimer](#)

# MEDICARE ADVANTAGE UNLEASHED:

How Benefit Design Flexibility is  
Changing MA Benefit Package Design



Uber Health



Emerging Benefit  
Flexibility Considerations

# Medicare Advantage “Unleashed”



JUNE 25, 2019

PRESENTED BY  
Nate Baehr, FSA, MAAA  
Tim Murray, FSA, MAAA

# Caveats, Limitations and Disclosures

The purpose of this presentation is to provide information on emerging developments in the area of Medicare Advantage benefit flexibility.

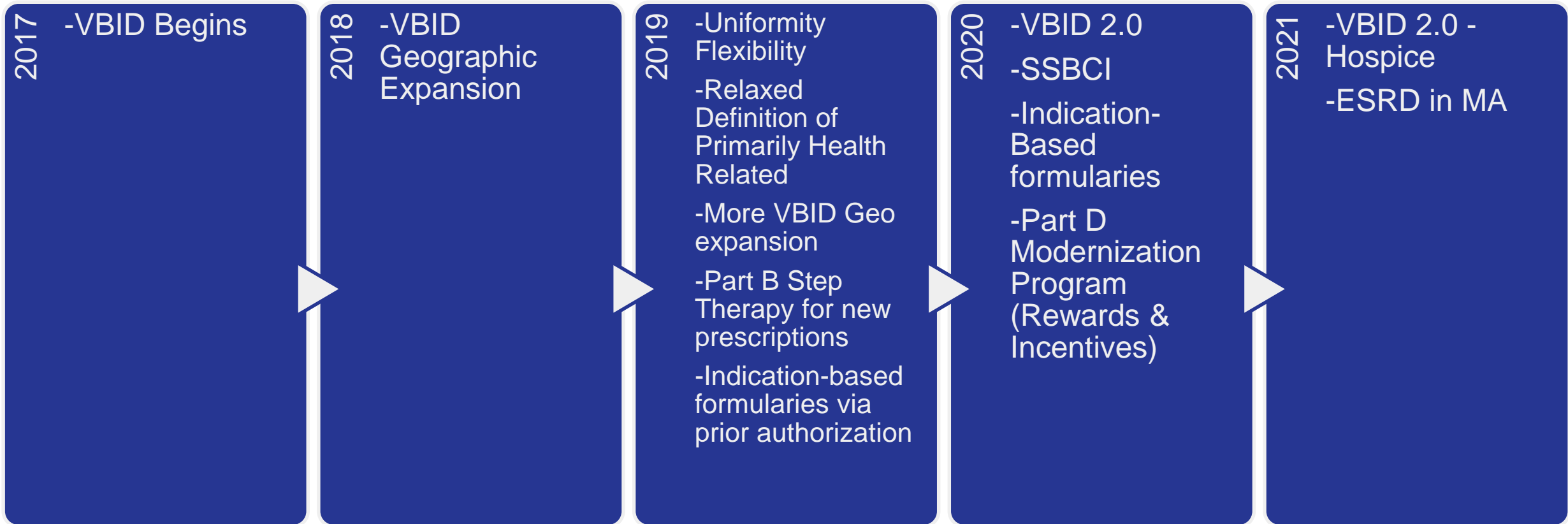
This presentation is not intended to be a comprehensive summary of all issues and considerations with respect to Medicare Advantage and Part D benefit design, and does not constitute legal or investment advice. Our comments represent our interpretations and opinions regarding actuarial considerations and implications of recently issued guidance. Wakely does not warrant that the impacts presented will be achieved, nor that CMS or other regulatory organizations will interpret provisions in the same manner.

Depending on the slide, our comments may reflect a nationwide perspective, or be illustrative. The impact of specific benefit guidance provisions may vary based on State and Medicare Advantage plan type. Individual plan impacts of the new and revised rules can vary, often significantly, from the impacts we will discuss.

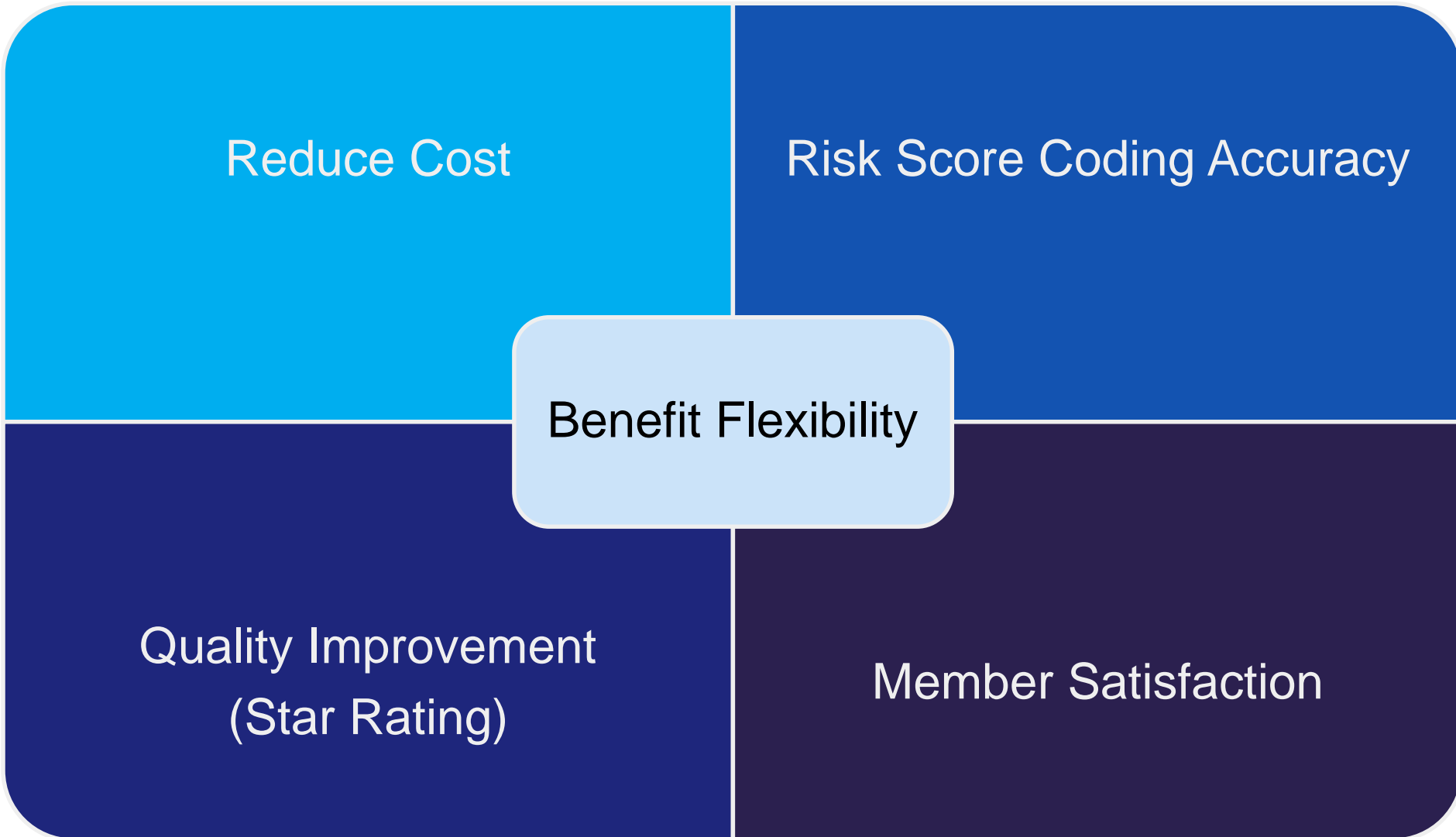
# Key Acronyms

Term	Acronym
Value Based Insurance Design	VBID - VBID 1.0 in place 2017 to 2019 - VBID 2.0 2020 and beyond
Uniformity Flexibility	UF
Special Supplemental Benefits for the Chronically Ill	SSBCI

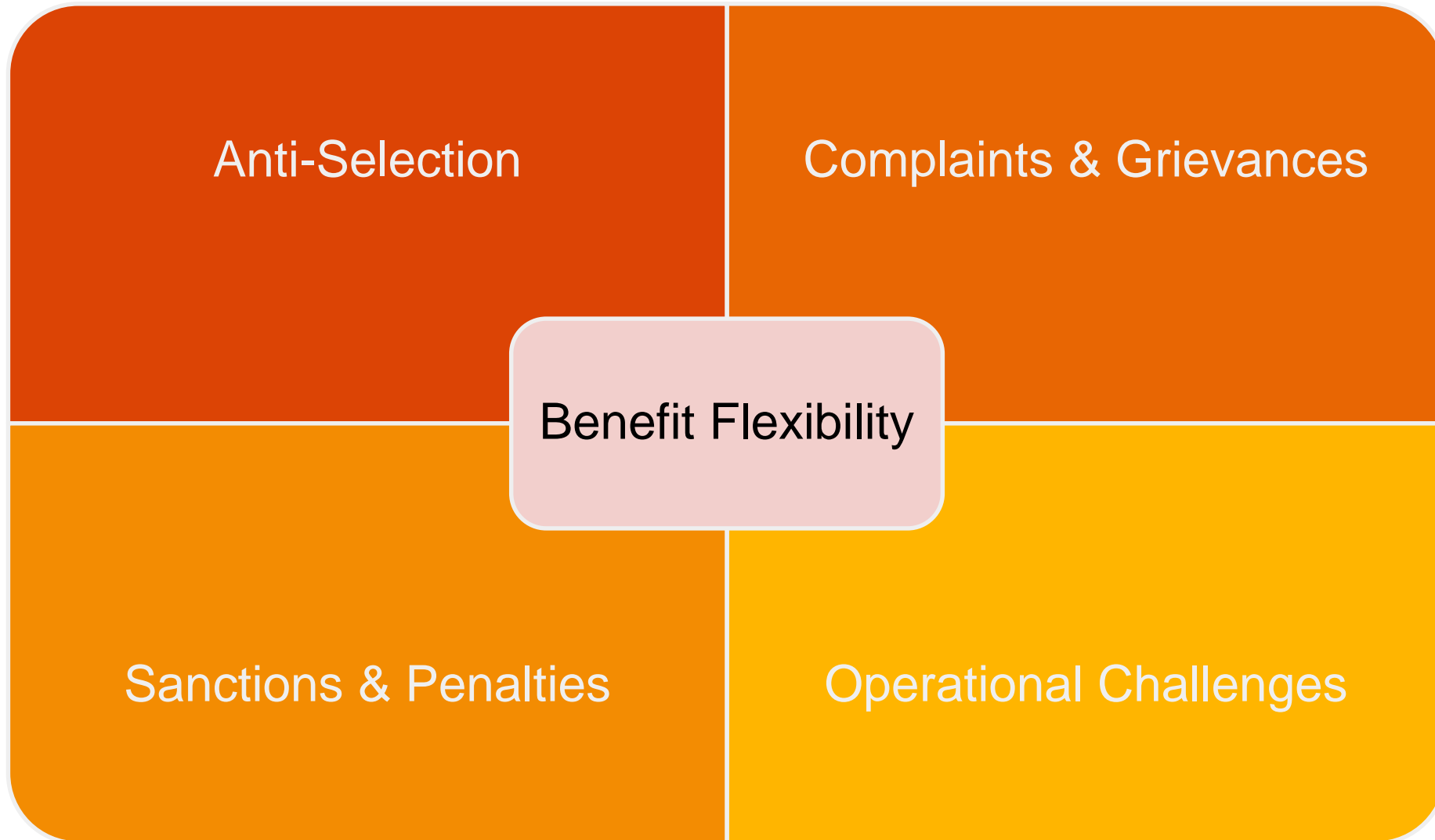
# Benefit Flexibility Timeline



# “Quadruple Aim” of Benefit Flexibility



# Benefit Flexibility – Proceed with Caution





# BENEFIT FLEXIBILITY OVERLOAD!!!



“Abundant choice often makes for misery”

– Barry Schwartz, Scientific American, Dec. 2004

# GUIDANCE OVERLOAD!!!

CMS Bid  
Instructions

Policy & Technical  
Changes

21<sup>st</sup> Century Cures  
Act

Bipartisan Budget  
Act of 2018

- CHRONIC Care  
Act

Medicare Managed  
Care Manual

HPMS Memos

Advance Notice

CMS Innovation  
Center

Call Letter and  
Follow Up Memos

# 2019 Landscape

- CMS relaxed the definition of “primarily health-related” for supplemental benefits and introduced uniformity flexibility
- Late-coming guidance made it difficult for plans to incorporate benefit changes into Plan Benefit Packages for 2019
- High-value provider lever was not used widely

# 2019 Landscape – Supplemental Benefit Examples

## Pest Control

- One treatment every 3 months to eliminate rodents, roaches and other unsafe pests from the home in order to provide a healthier community-based environment for members. Prior authorization and referral may be required.

## “Flex” / “Wallet” Benefits

- Reimbursement up to \$200 each calendar year for one or more of the following Non-Medicare covered benefits: • Acupuncture • Weight management program • Nutritional/dietary benefit • Activity tracker

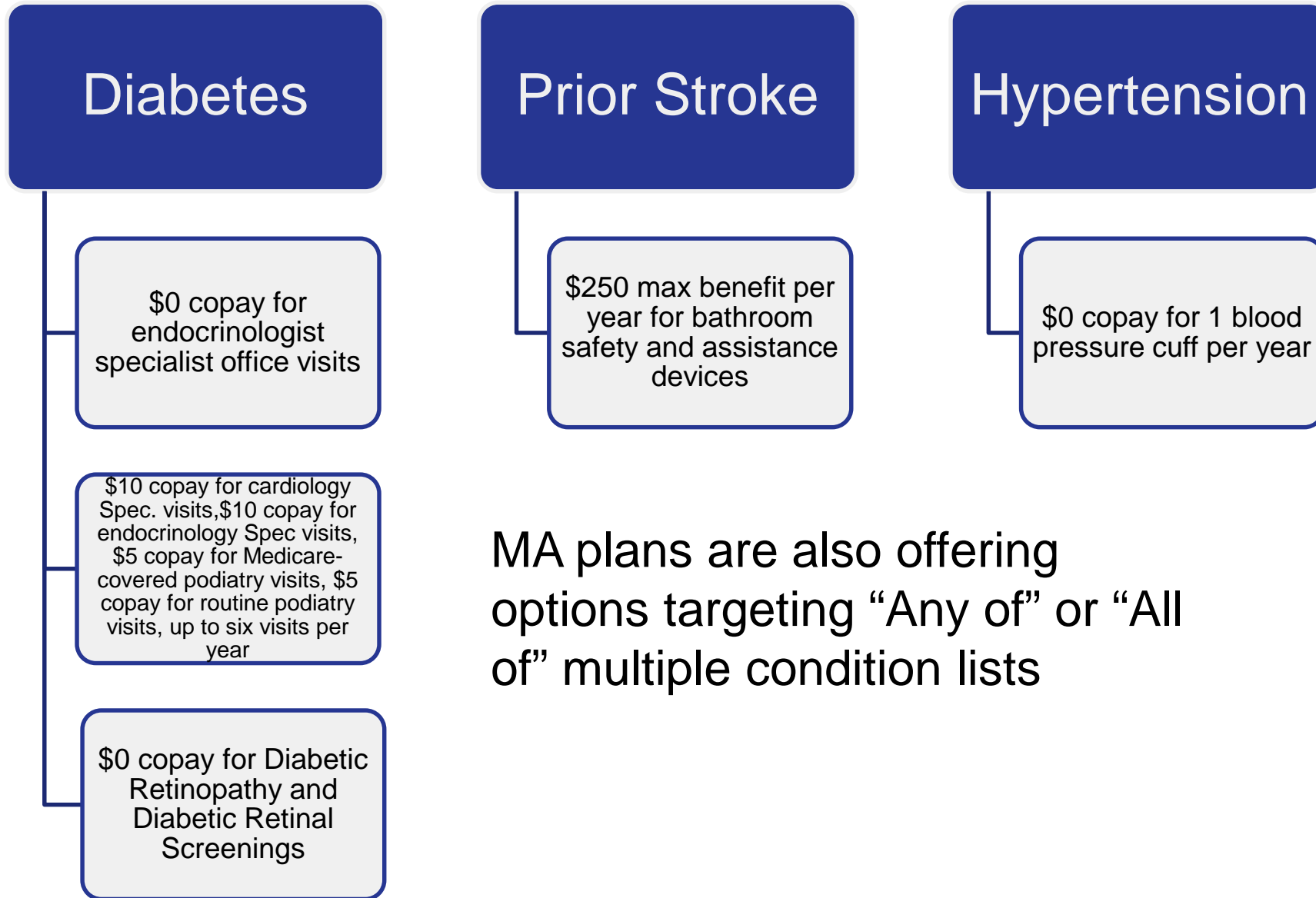
## Home-Based Palliative Care

- \$0 copayment, coinsurance, or deductible for covered home-based palliative care, including Evaluation • Consultation and education • Advanced care, chronic care, and transitional care planning • Visit charge (management)

## Bathroom Safety

- Up to \$250 for Bathroom Safety Devices and/or backup support for medical equipment devices (insulin refrigeration, enteral feeding pumps, oxygen concentrators, semi-electric beds, and other similar health equipment) when there is a medical necessity. • Bath/shower chair, any size • Bathtub wall rail 18” • bathtub rail, floor base • Toilet rail • Raised toilet seat, tub stool or bench • Assessment of environment to determine suitability of members' needs and the installation of the mentioned devices.

# 2019 Uniformity Flexibility Examples



MA plans are also offering options targeting “Any of” or “All of” multiple condition lists

# Benefit Flexibility for Targeted Disease States

	VBID 2.0	Uniformity Flexibility	SSBCI
Reduce Cost Sharing on Part C Benefits	✓	✓	✓
Offer Additional Supplemental Benefits	✓	✓	✓
Reduce Cost Sharing on Part D Benefits	✓	✗	✗
Offer Non-primarily Health Related Benefits	✓	✗	✓
Vary Part C benefit for high-value providers	✓	✓	✗
Vary benefits based on socioeconomic status (LIS)	✓	✗	✓ <small>Can't be sole basis for eligibility</small>
Spousal Sharing of Benefits	✓	✗	✗

# Thank You!



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JUNE 2019  
PHOENIX, AZ

# Uber Health

Removing transportation barriers to care

**Dan Trigub**, *Head of Uber Health*  
*trigub@uber.com*


Society of Actuaries Health Care Meeting





Uber

Uber Health

An aerial photograph of a city at sunset. The sun is low on the horizon, casting a golden glow over the city skyline. A large bridge with a suspension tower is visible in the center. A train is moving across a bridge in the foreground. The sky is a mix of blue and orange.

**Ridesharing has changed the way  
people move....**

**and can make a real difference in care.**

**Our mission:**

We ignite opportunity  
by setting the world  
in motion.

Uber Health

# Uber by the numbers

600+

Uber is available in more than 600 cities globally.

75M

Uber has more than 75 million monthly active riders.

10B

Uber has completed 10 billion cumulative trips.

60+

Uber is available in over 60 countries across six continents.

3M

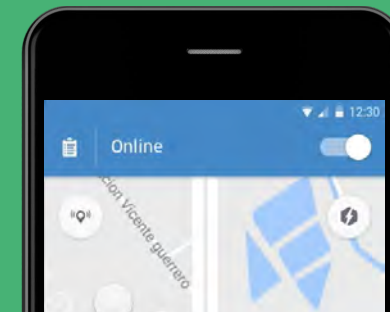
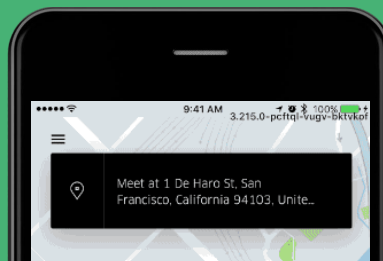
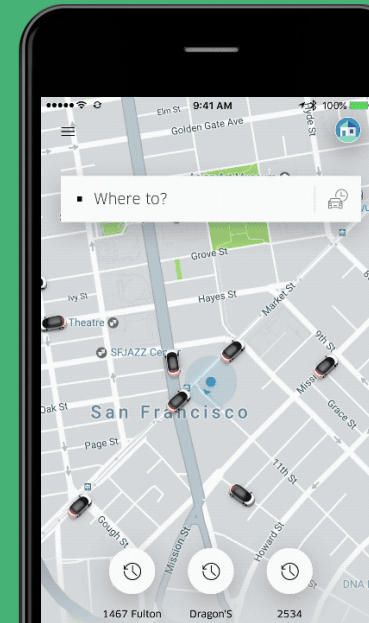
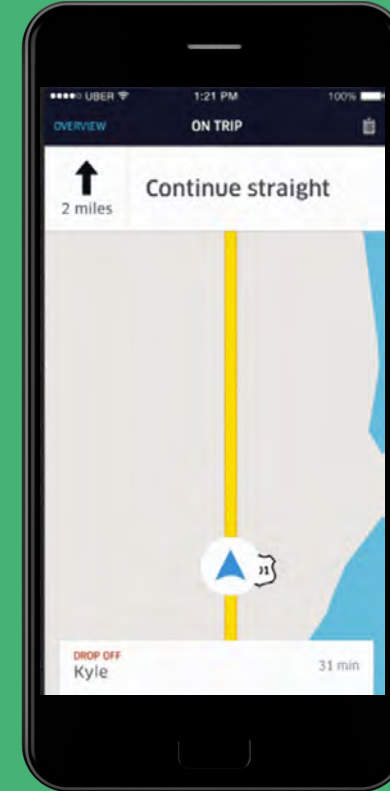
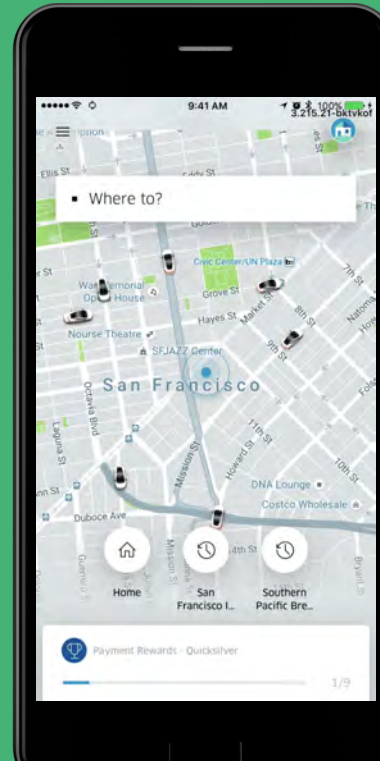
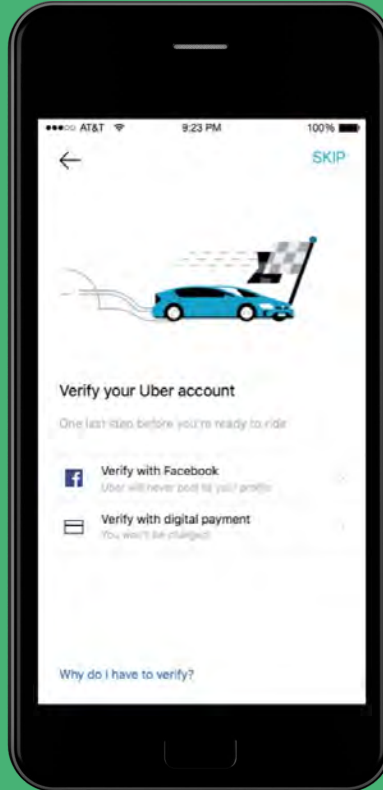
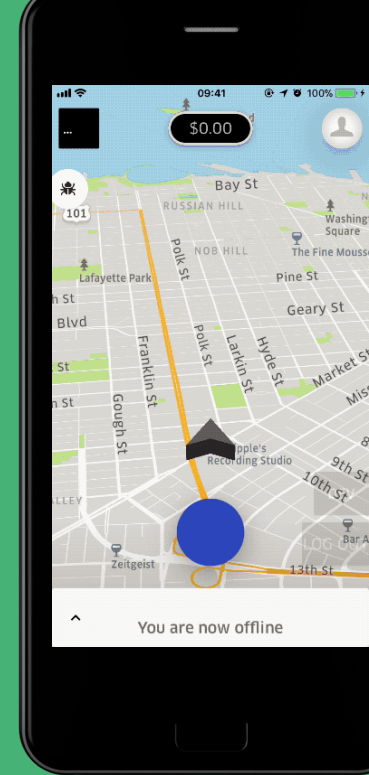
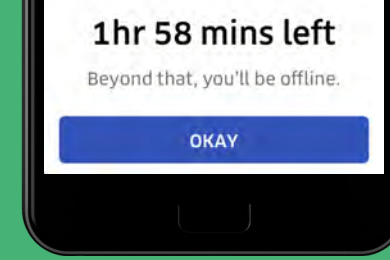
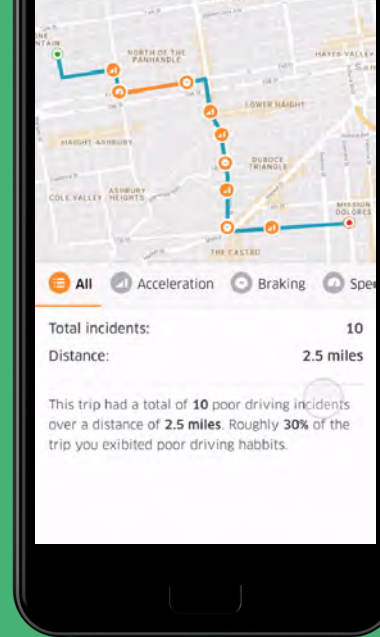
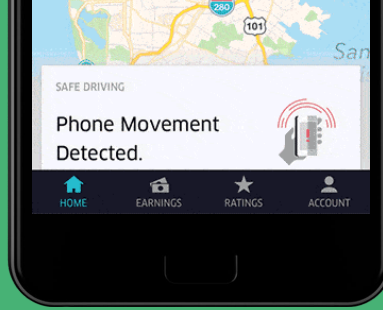
We have over 3 million active drivers globally.

15M

Around 15 million Uber trips happen each day.



# SAFETY OVERVIEW



“

**Every day, our technology puts millions of people together in cars in cities around the world. Helping keep people safe is a huge responsibility and one we do not take lightly.**

**We know traveler safety is a top priority for you. Know that it's a priority we share, together.**

Dara Khosrowshahi, Uber CEO

Uber Health



# Safety basics on every trip



All Uber trips are **GPS-tracked** from start to finish.



Every passenger trip on the Uber app is **insured**.



All drivers are **screened** before they can begin using Uber, and re-screened periodically after that<sup>1</sup>



All vehicles available on the Uber app must meet **minimum age and feature requirements**.<sup>2</sup>



We provide **24-hour support** for all situations, including a dedicated, 24-hour team for critical situations.



All drivers must maintain a **minimum rating** from riders to remain active on the platform

## Uber Health

<sup>1</sup>In New York City, background checks, including reruns, are managed by the Taxi and Limousine Commission and not by Uber. Delivery partners are not annually rechecked.

<sup>2</sup>Vehicle requirements vary by region in accordance with applicable local rideshare requirements.



# Driver screening in the US

We screen all drivers for criminal and driving history before they can begin using Uber.<sup>1</sup>

This includes:

- Driver pre-screening and documentation
- Driving history review
- Criminal history review
- New offense notifications
- **NEW** Annual reruns

<sup>1</sup> In New York City, background checks, including reruns, are managed by the Taxi and Limousine Commission and not by Uber.





# Insurance

**Uber maintains automobile liability and uninsured/underinsured motorist insurance when a passenger is on an Uber trip in the United States.**

## **At least \$1 million of liability coverage per incident.**

This insurance covers the driver's liability for damages to any third party such as another driver, pedestrian, or property in case of an accident when the Uber driver-partner is at fault.

We have provided a \$1 million liability policy since commencing ridesharing in early 2013.

## **At least \$250,000 of uninsured/underinsured motorist bodily injury coverage per incident.**

In the event that another motorist causes an accident with a ridesharing vehicle and doesn't carry adequate (or any) insurance, this policy covers bodily injury to all occupants of the rideshare vehicle. This insurance also provides coverage in cases of a hit and run.

\*The coverage limits vary by state.



# What happens if there's an incident on a trip?

Uber's Incident Response Team (IRT) is in place to quickly respond to the most urgent issues.

If we receive a report about an accident or incident during or after a ride, we can quickly suspend the driver or rider accounts in question, preventing them from accessing the Uber app, while we investigate.



# Uber Health



# Evolution of Uber's healthcare efforts



In 2014, Uber experimented with flu shots on demand in the US. Since then, efforts like it have happened around the world:

- Diabetes and thyroid testing on demand in India
- Rides for breast cancer screenings in the US
- Rides to blood drives
- Haze masks on demand in Singapore
- Flu shots on demand in South Africa
- Adolescent vaccines in Brazil
- Telehealth awareness in Saudi Arabia



# Lack of transportation is a barrier to care.

**3.6M+**

Annual appointments missed because of transportation issues<sup>1</sup>

**30%**

No-show rates nationwide, each open 60-minutes typically costing \$200<sup>2</sup>

**\$ 150B**

Lost annually by providers due to missed appointments<sup>2</sup>



**SOCIETY OF  
ACTUARIES®**

# Current NEMT solutions are falling short

## Long & Unpredictable ETAs

Require **24-72 hours advance** notice for a ride

Imprecise pickup and dropoff ETAs;  
**usually +/- 3 hours**

## Unreliable Supply

**Driver no shows** are common

**Limited supply** relative to demand-  
leads to taxi use as a last resource

## Limited Transparency

**No way to track** ETA or ride progress in real time

**High amount of fraud** with an inability to detect, deter, or remedy it

# Ridesharing can help patients get to and from care.



**On-demand access  
in minutes.**



**Cost efficient,  
transparent pricing.**



**Established network  
that scales.**



**Easy for patients.  
Easy for healthcare.**

# Real results that matter

Prevented no-shows with rides  
less than 5 mins away

Allowed transportation  
budget to go 40% further

Increased schedule fill rates  
by 5-10 percentage points

“We can request an Uber trip in time to help a patient make an appointment they would otherwise miss.”

Pete Celano  
*MedStar Health Institute*



MedStar Health

**Uber Health**



## Build solutions that **protect** **healthcare organizations**

- HIPAA-compliant infrastructure
- Focus on patient privacy
- Comprehensive rider safety features



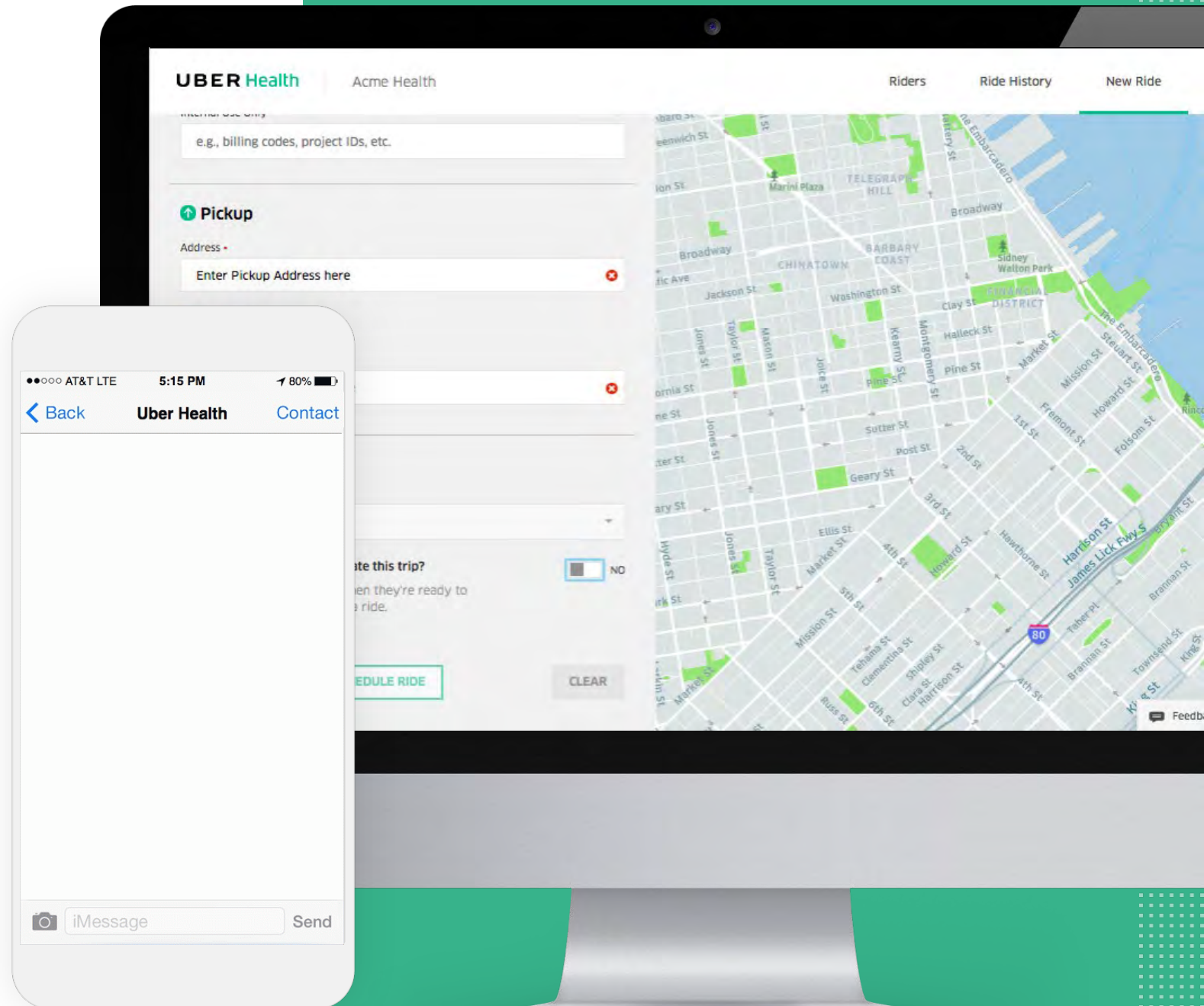


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# Build solutions that provide access for all

- Works without an app
- No smartphone required
- Caregiver can coordinate directly

Uber Health



## Build solutions that provide access for those in need

- Wheelchair accessible vehicles
- Door-to-door assistance



“Uber WAV will empower people requiring wheelchair accessible vehicles to get a ride when they need one by simply pressing a button.”

Tony Coelho  
*Co-author of the Americans with Disabilities Act*



## Build solutions **grounded** **in acceptance**

- Zero tolerance policy towards discrimination of any kind
- No distinction between an Uber Health riders versus an Uber rider
- Payment handled digitally



“They tell us that the drivers treat them with kindness and respect, something they really value given many of them live below the poverty line.”

Rachel Lambert  
*Coo, Mountain Park Health Center*

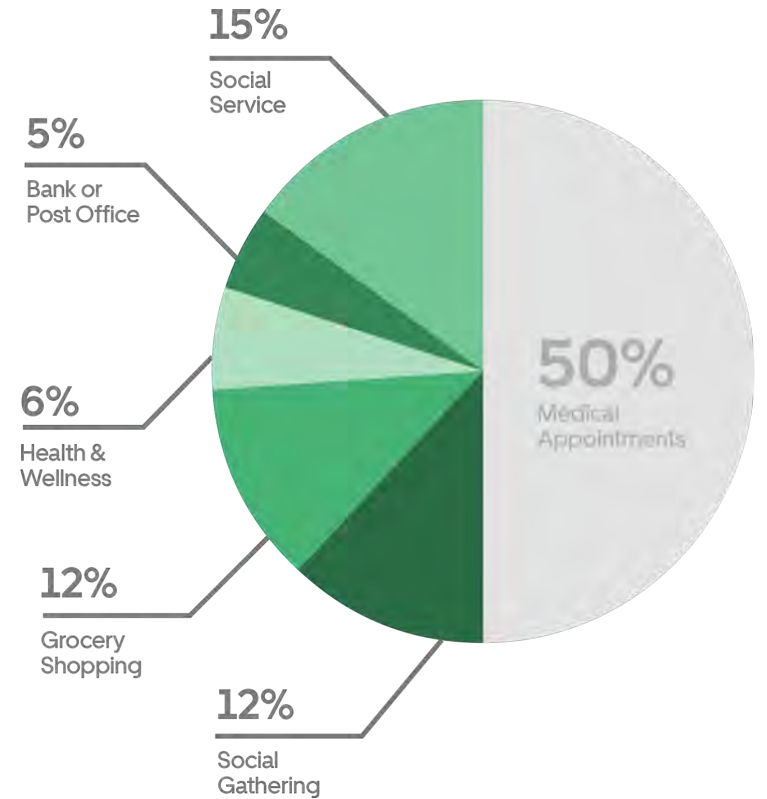
# Build solutions that have impact on overall health

Rideshare can improve quality of  
life by 90% for seniors



# Healthy lives are more than just doctor appointments

Access to transportation gave seniors a sense of freedom and independence that ultimately increased their quality of life.



“Not only provided transportation service but gave them some freedom to get out of their home and get about in the City.”





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ACTUARIES®

# Road ahead for building healthier communities



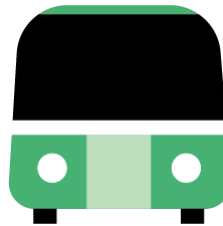
Meal  
delivery



Prescription  
delivery



Medical  
device transport



Public transit  
modalities



Medicaid benefit  
solution



IVR Based  
Call Center

# Uber Health

**Dan Trigub**

Uber Health

trigub@uber.com





*Accelerating quality & financial outcomes through  
member health improvement*

# Agenda

**Objective: Learn operational keys to success in targeted benefits programs**

- **Uniformity Flexibility Opportunities: Targeting benefits to conditions**
- **A real example of putting the idea into practice**
- **Operational challenges to consider**
- **Solutions to key challenges**

# Uniformity Flexibility Opportunities

## BENEFIT FLEXIBILITY OVERLOAD!!!



“Abundant choice often makes for misery”

– Barry Schwartz, Scientific American, Dec. 2004

wakely

# What are we really talking about?

Reducing barriers and increasing motivation for members to take the right action for their chronic conditions and improve health



## Reducing barriers

- Free or discounted out of pocket costs for procedures & supplemental benefits
- Automatic enrollment in programs
- Creating awareness of opportunity

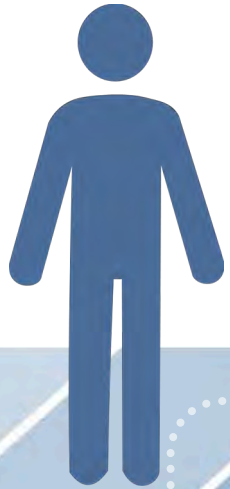
## Increasing motivation

- Rewarded behaviors
- Personalized education & guidance
- Exclusivity & Scarcity – selective eligibility, time-based offers

## Right action

- Opportunities limited to impacting specific conditions
- Emphasizing a narrower set of actions with higher impact versus all healthy behaviors


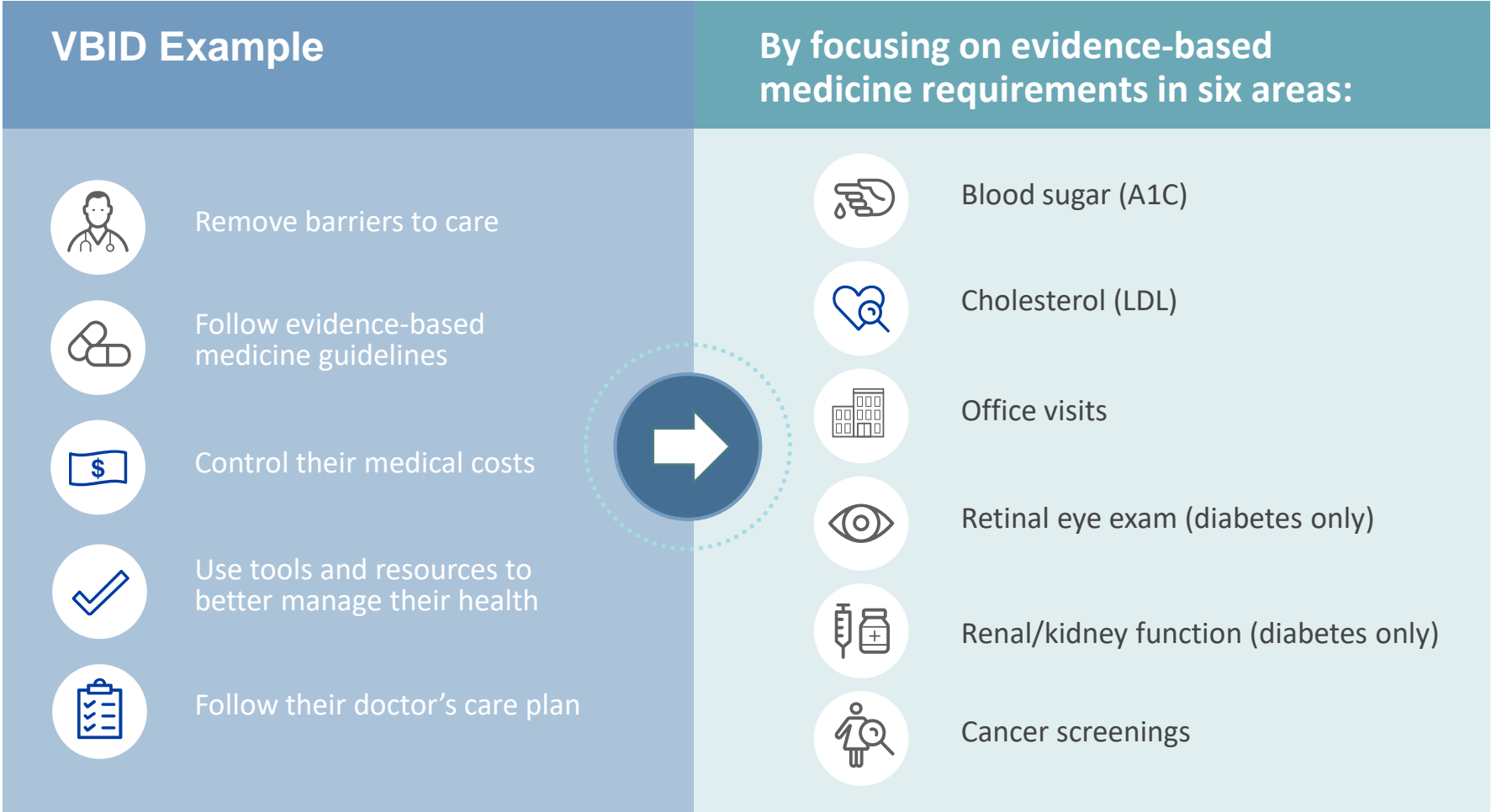
# Health Action Engagement



Fueled by Analytics, Campaign Management, & Monitoring

# VBID Example: A condition-based program designed to encourage compliance



## Condition-Based Plan Design features:



**\$0**  
office visit  
copay



**\$0 for**  
medications



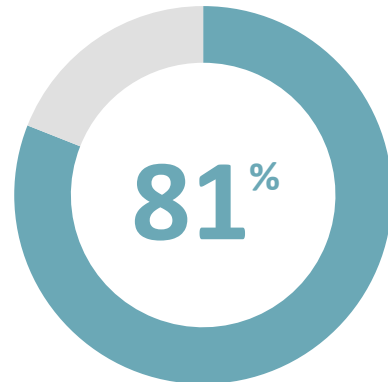
Optional  
programs

# VBID Example: Helping to lower medical costs by increasing compliance

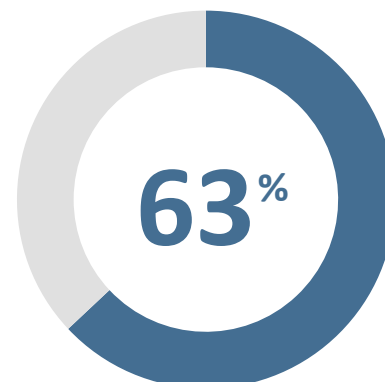


Expenditures are on average 2.3x higher for those with diabetes than those without diabetes.

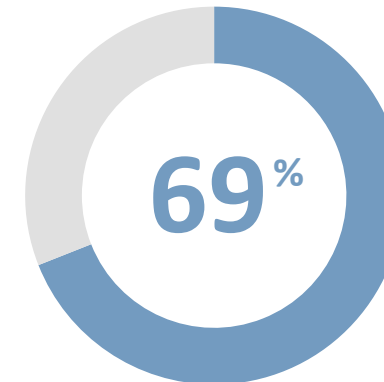
VBID program members enrolled in 2016:



of participants achieved compliance with one doctor visit while enrolled.



of participants completed their annual cholesterol LDL blood test.

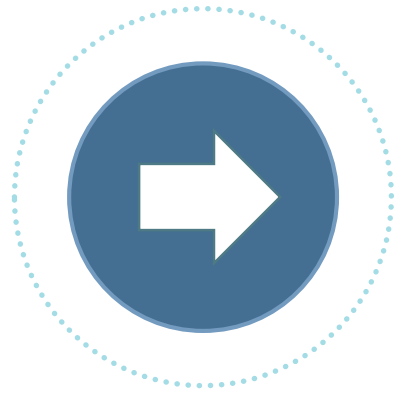


of participants completed their annual blood sugar tests.



# Things to consider

## Operational Challenges to Address for Success



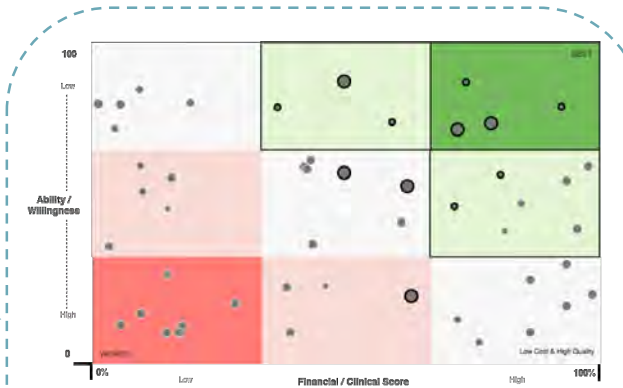
- ✓ Adjusting benefits based on a member's health in real time
- ✓ Creating awareness of the new program & motivation to engage
- ✓ Making it easy and clear for the members to take action
- ✓ Fitting the program into your plan's bid, budgeting, & operations timelines
- ✓ Getting support for this idea internally

# Challenge 1: Adjusting benefits based on a member's health in real time

## Continuous Member Understanding



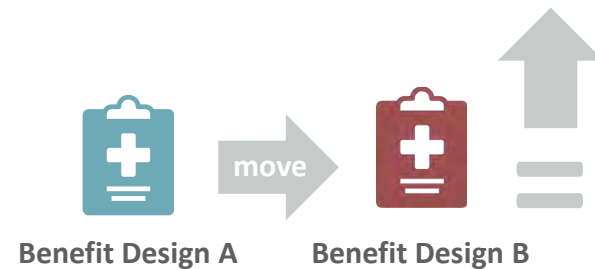
## Risk Identification & Stratification



### Top Health Actions

Health Action	Frequency	Next Due Date
Annual Wellness Visit	Annual	April 15th, 2019
Colorectal Cancer Screening	Annual	January 3rd, 2019
Health Risk Questionnaire	Annual	March 23rd, 2019

## Integration with Claims System for Benefit Design Change\*



## Desired Outcomes

Identify Health Risks & Disease Conditions

Determine Gaps In Care and Deliver Personalized Health Action Plan

Deliver Smart Incentives to Drive Engagement

# Challenge 2: Creating awareness & motivation

## Example Solution: Personalized Communications

Consider this information to help you:

- Manage your condition.
- Improve your health.
- Save on medical expenses.

### Questions and Answers

**Who is eligible for the program?**  
 You are a current benefit member who has been diagnosed with diabetes and has had a fasting cholesterol level of 120 or higher.

**What happens if I don't complete the items on the checklist by the due date?**  
 You may lose the enhanced benefits associated with the plan.

**What if I don't want to be included in this year?**  
 This plan is designed to help you manage your condition and improve your health. If you do not intend to, you can complete the opt-out form at [http://healthmine.com](#).

**Where are the enhanced benefits associated with this plan?**  
 The enhanced benefits are available at the time of your Annual Wellness Visit.

**Where are the enhanced benefits associated with this plan?**  
 The enhanced benefits are available at the time of your Annual Wellness Visit.

A program that may help you manage diabetes

Blue Cross Medicare Advantage (MCO)  
Blue Cross Medicare Advantage (MCO)

**Get Rewarded For Seeing Your Doctor**

Learn More!

**Hello Dan,**

Imagine earning a \$25 gift card for keeping up with your health. As a Blue Cross Medicare Advantage™ member, you're entitled to an Annual Wellness Visit at *no charge*. \* Earn a gift card through your Rewards and Incentives program<sup>SM</sup> for making that visit.

**Get rewarded in three easy steps!**

- 1 Call Dr. Meredith Grey and schedule your Annual Wellness Visit.
- 2 Complete the visit.
- 3 Your gift card will be sent once your claim has been processed.

Calendars fill up quickly – Make that call today and complete your Annual Wellness Visit!

**BRING ALONG YOUR WELLNESS CHECKLIST**  
 Get a clearer picture of your health – and use your checklist when talking to your

**Check & earn!**

Your health checklist is ready. Use it and earn up to \$100 in free gift cards!

**Learn more**

**Share with your doctor**

Please also share the following special code with your doctor to make sure you receive credit for completing important health items on your checklist: **diagnosis code CD-10-CM E11.9**. Specific CPT codes can be found in the list above with each action.

**Complete These Basic Exams**

Retinal Eye Exam	Codes 2022F, DR 2024F, DR 2026F	<input checked="" type="checkbox"/>
Serum Creatinine	CPT code 82565	<input checked="" type="checkbox"/>
Hemoglobin A1c	CPT code 83036	<input checked="" type="checkbox"/>

**Review Your Screenings and Vaccines**

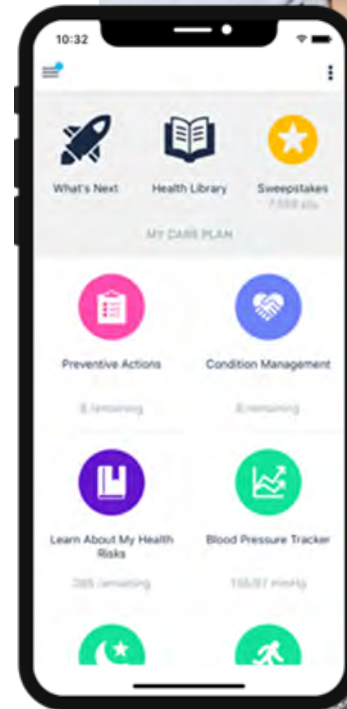
Annual Flu Vaccine	CPT codes 90662, 90653, 90682	<input checked="" type="checkbox"/>
Bone Density Exam	CPT codes 77080, 77082	<input checked="" type="checkbox"/>
Colorectal Screening	CPT code 45378	<input checked="" type="checkbox"/>
Pneumonia Vaccine	CPT codes 90669, 90670, 90732	<input checked="" type="checkbox"/>



# Challenge 3: Making it easy and clear

## Example Solution:

- Members who used the mobile app closed 25% more gaps in care



# Challenge 4: Fitting the program into your plan's timelines

Two options:



1

## Fund member engagement programs inside the bid

- Uniformity Flexibility benefit design opportunities
- VBID innovation model

2

## Fund member engagement outside the bid with rewards & incentives programs



# Example Solution: Personalized Incentive & Rewards Programs

## Pros:

- Incentives are still personalized
- Not dependent upon the bid
- No claims system Integration
- Greater member choice
- Adjustable throughout the year
- More flexible to target other conditions & health actions

Reward Dollars to Spend:

**\$25**

All completed 2018 Healthy Actions will earn a \$25 gift card, up to the maximum of \$100 annually.

Automated Rewards:



[Choose a Card](#)

Gift Cards

Filter By:



Barnes and Noble  
STANDARD MAIL  
Cost Range: \$25



CVS  
STANDARD MAIL  
Cost Range: \$25



Panera Bread®  
STANDARD MAIL  
Cost Range: \$25



Safeway  
STANDARD MAIL  
Cost Range: \$25



Starbucks  
STANDARD MAIL  
Cost Range: \$25



Target  
STANDARD MAIL  
Cost Range: \$25



Walgreens  
STANDARD MAIL  
Cost Range: \$25



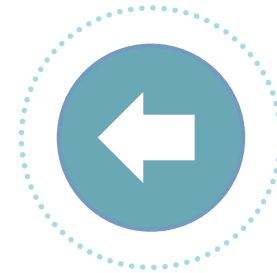
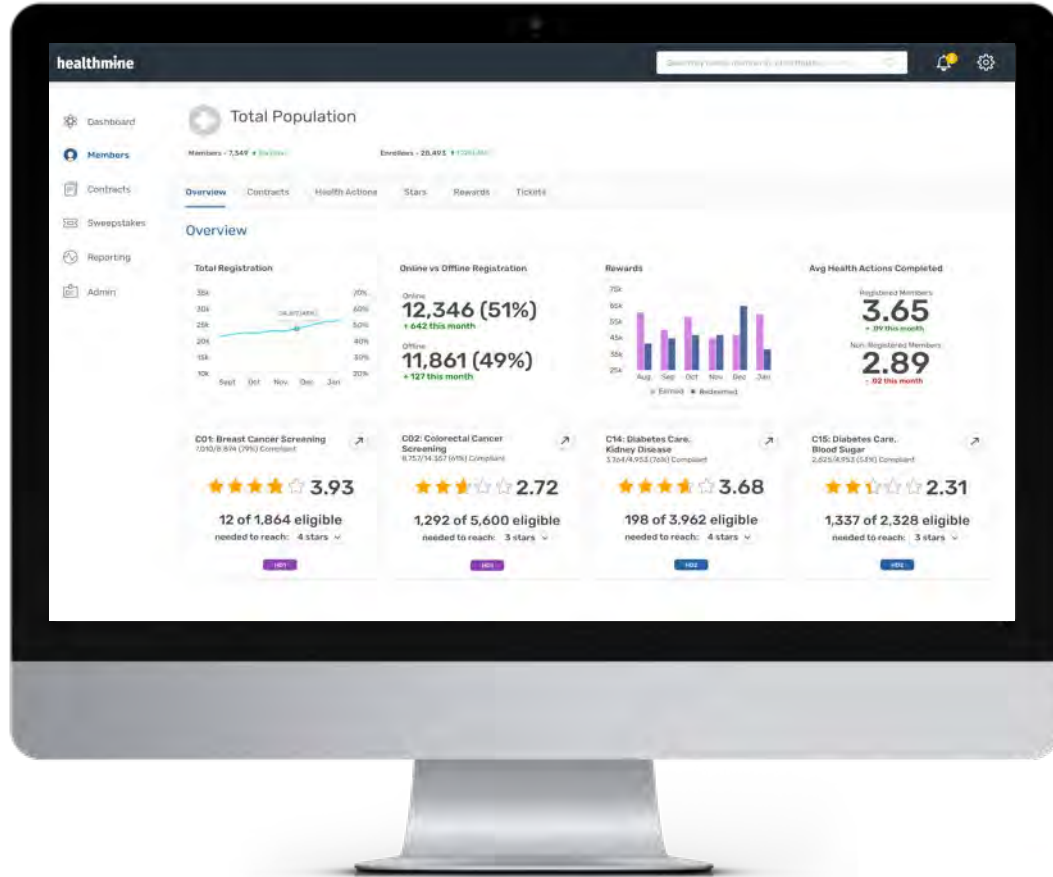
Walmart  
STANDARD MAIL  
Cost Range: \$25



iTunes  
STANDARD MAIL  
Cost Range: \$25

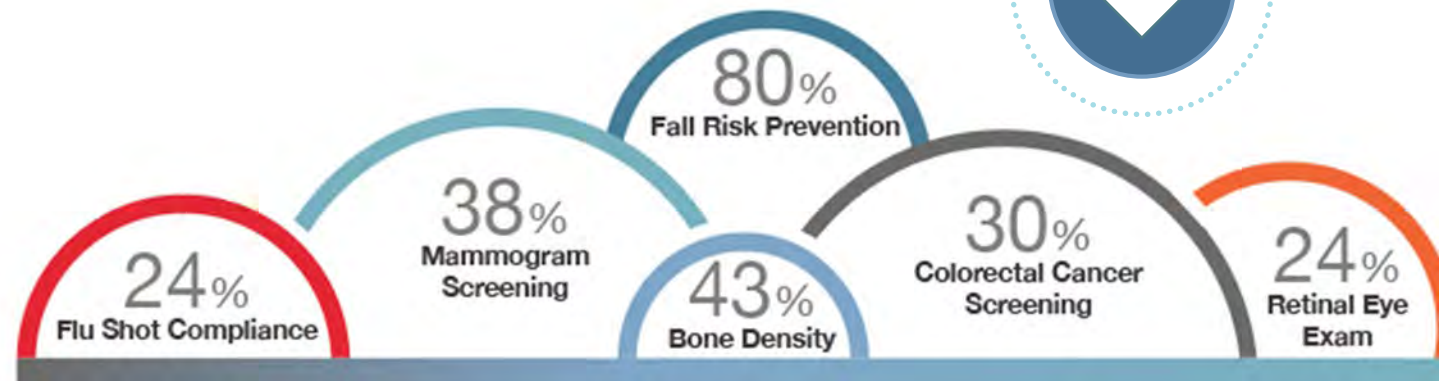
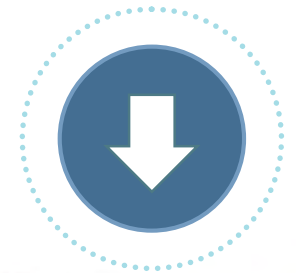
# Challenge 5: Getting support internally

Example Solution: Align benefits strategy to other goals



Targeted Goals

Quality Increases



# Summary

- Target conditions to limit cost exposure and increase impact
- Targeted VBID-esque programs are not new and are effective
- Correction: These programs *can be* effective. Plan ahead for operational challenges to meet or exceed actuarial estimates
- Ways to overcome challenges:
  - Solve for the real-time risk identification problem
  - Personalize communications to the health of the member
  - Multi-modal experiences
  - Don't limit yourself to bid submission timelines or benefits as the incentive
  - Align strategy (and investments) with other organizational goals to garner support

# Thank you!



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**HealthMine, Inc.**



# Appendix

# Value Based Insurance Design 2.0



# What is MA VBID?

“The Medicare Advantage Value-Based Insurance Design (VBID) Model is an opportunity for Medicare Advantage plans to offer supplemental benefits or reduced cost sharing to enrollees with the Centers for Medicare & Medicaid Services (CMS) specified chronic conditions, focused on the services that are of highest clinical value to them. The model tests whether this can improve health outcomes and lower expenditures for Medicare Advantage enrollees.”

Value Based Insurance Design Model FAQ document, available @ <https://innovation.cms.gov/files/x/vbid-cy2019faqs.pdf>

# VBID Timeline

2017

- 1<sup>st</sup> year
- 7 states
- 9 MAOs
- 7 specified chronic conditions
- Eligible individuals identified using ICD-10 Codes



2018

- 10 states
- 10 MAOs
- 9 specified chronic conditions
- Eligible individuals identified using ICD-10 Codes



2019

- 25 states
- MAOs can propose additional chronic conditions
- C-SNPs can participate
- Plans can use CMS data (not just ICD-10) to propose method



2020

- All States & Territories
- Benefit based on low income subsidy
- All SNPs (I,C,D) can participate
- Telehealth for network adequacy
- More robust Rewards & Incentives



2021

- Hospice carve-in

# VBID Overview

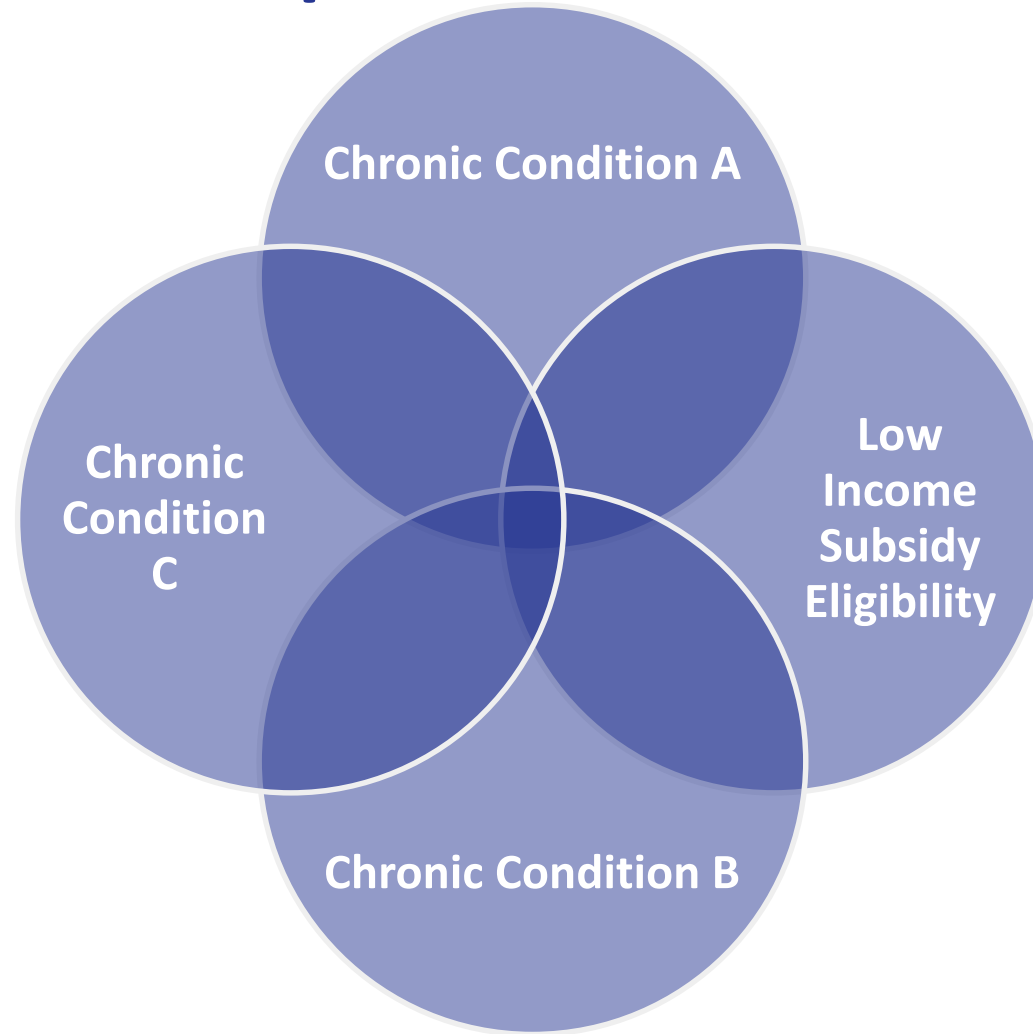
Wellness & Healthcare Planning  
(REQUIRED FOR ALL VBID PARTICIPANTS)

Value-Based Insurance Design by Condition and/or Socioeconomic  
(LIS) status

Rewards & Incentives

Telehealth Networks

# VBID – Target Population Example

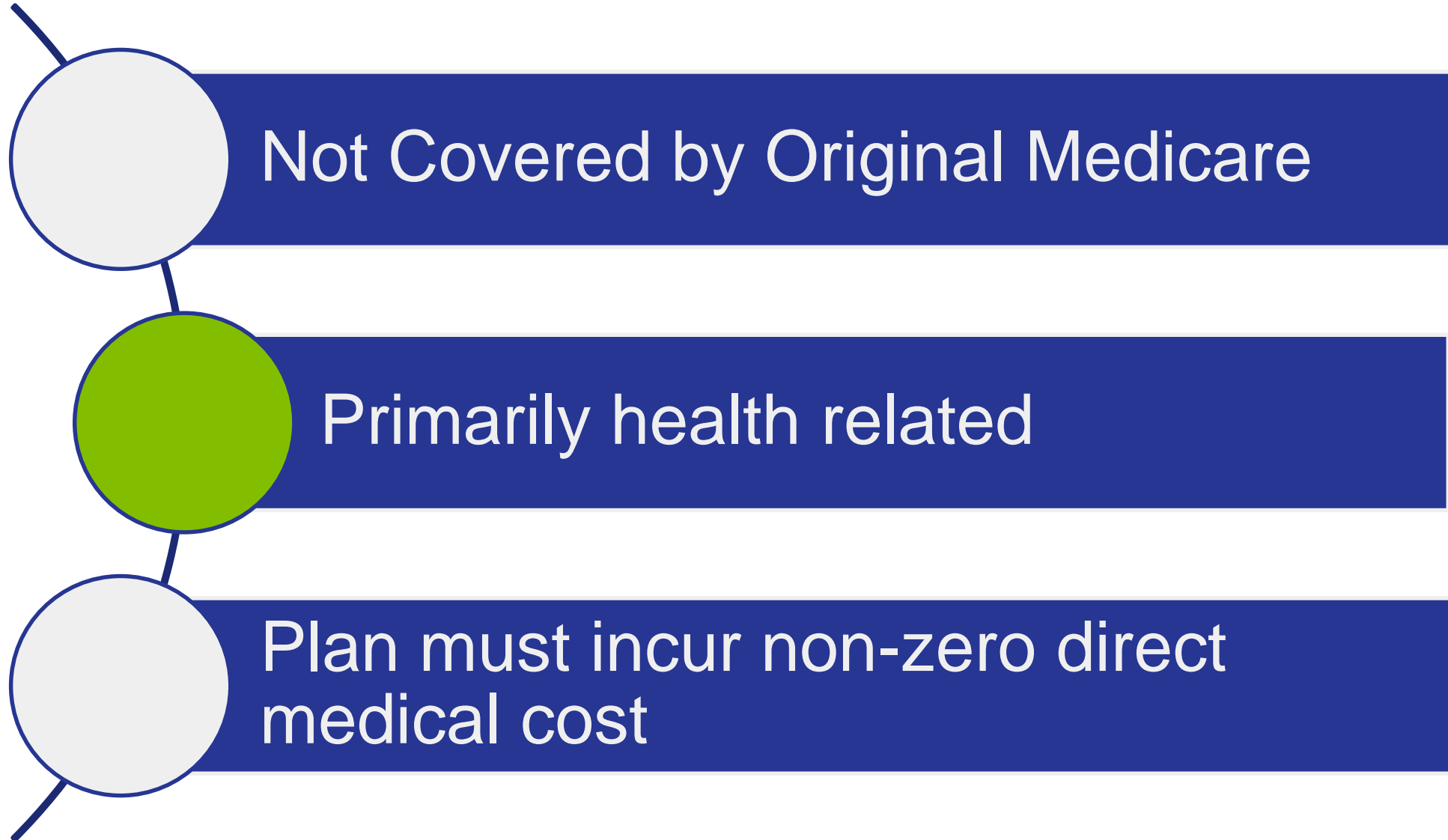


Number of enrollees targeted must be “large enough for CMS to be able to conduct a meaningful evaluation of the intervention.”

- [VBID Request for Applications](#)

# Special Supplemental Benefits for Chronically Ill

# What is a Supplemental Benefit?





# Expanding the Definition

Definition of supplemental benefits expanded for 2019 benefit year:

## 2019 Final Call Letter

- Include services that:
  - Diagnose
  - Compensate for physical impairments
  - Act to ameliorate the functional/psychological impact of injuries or health conditions
  - Reduce avoidable emergency and healthcare utilization

## Bipartisan Budget Act of 2018

- Expanded to include "not primarily health related benefits" for chronically ill beneficiaries
  - **Services must only have a reasonable expectation of improving or maintaining the health or overall function of the chronically ill beneficiary**
- Expected to allow plans to address non-clinical needs

# SSBCI Eligibility

- Eligible chronically ill enrollees must:
  - Have one or more comorbid and medically complex chronic conditions that is life threatening or significantly limits the overall health or function of the enrollee
  - Have a high risk of hospitalization or other adverse health outcomes
  - Require intensive care coordination
- Eligible conditions are defined in [MMCM, Chapter 16B](#)
  - 15 conditions identified
- Plans have leeway in assessing second and third criteria, but methodology should be documented

# Other SSBCI Considerations

- Beginning in 2020, uniformity requirement is waived for SSBCI
  - Plans may target SSBCI to individual enrollee's specific medical condition and needs
  - Enrollees can be excluded if benefit does not have a reasonable likelihood of improving that specific enrollee's health or overall function
  - MA plans must develop objective criteria regarding determination of eligibility
- Other requirements related to SSBCI
  - CMS seeking comment whether or not to vary benefits based on socioeconomic status
  - Plans are required to coordinate MA benefits with community and social services generally available in the area served by the MA plan
  - Plans are expected to briefly describe their benefits in the PBP in category B19

# SSBCI Updates from CMS – Apr 24, 2019

- On April 24, 2019 CMS released additional guidance on SSBCIs in a memorandum titled “Implementing Supplemental Benefits for Chronically Ill Enrollees”
- MA plans may consider social determinants of health as a factor to help identify chronically ill enrollees whose health could be improved or maintained with SSBCI
  - They may use social determinants to further limit SSBCI eligibility
  - However, they may not use social determinants of health as the sole basis for determining eligibility for SSBCI
- Plans have the flexibility to establish maximum benefit coverage amounts for each SSBCI, or a combined amount that includes multiple SSBCIs
- Additional detail provided on examples of “not primarily health related benefits”