

# Benefit Flexibilities Granted to Medicare Advantage Amid the COVID-19 Crisis

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**BETTER MEDICARE**  
ALLIANCE

## Key Policies Championed by Better Medicare Alliance & Enacted by CMS:

- Allowing Medicare Advantage plans to expand telehealth benefits beyond their initial offerings through the public health emergency.
- Modifying the calculation of Star Ratings and delaying CAHPS and HEDIS surveys.
- Allowing diagnoses obtained via video telehealth to be used for risk adjustment purposes.
- Postponing certain audits and enforcement actions so that plans and providers can focus on patient care.
- Permitting mid-year benefit enhancements, so that Medicare Advantage plans can adapt and respond creatively to changing needs arising from the COVID-19 pandemic.
- Offered guidance to help Medicare Advantage plans account for COVID-19 vaccine related costs in their bids for the 2021 coverage year.

## Additional Policy Recommendations:

- Modifications to CMS's risk adjustment calculation to allow supplemental use of 2019 data.
- Allowing diagnoses obtained via audio-only telehealth to be used for risk adjustment purposes, so as to accommodate seniors who may not be able to use video technology.
- Suspend the consecutive years penalties resulting from low Medical Loss Ratio during years of health emergency.

**In the midst of the COVID-19 pandemic, the Centers for Medicare & Medicaid Services (CMS) has issued new guidance and a host of added flexibilities for Traditional Fee-for-Service Medicare and Medicare Advantage plans, some of which were strongly championed by Better Medicare Alliance. These include:**

### Telehealth

In March 2020, CMS issued a memorandum allowing Medicare Advantage plans to expand their telehealth benefits beyond initial offerings for the public health emergency and lifting originating site requirements for the use of telehealth.

CMS subsequently allowed diagnoses obtained via video telehealth to be utilized for risk adjustment purposes. It also permitted plans to supply devices supporting two-way audio-video for telehealth and remote patient monitoring (e.g., iPads).

### Cost-Sharing and Testing

CMS has required uniform beneficiary cost-sharing and services both in and out of network during the COVID-19 pandemic. It also banned cost-sharing for COVID testing and diagnostic services.

Utilization management (UM) and prior authorizations are prohibited for COVID testing and diagnostic services, as well as for a COVID vaccine when one becomes available. CMS encouraged Medicare Advantage plans to relax UM for non-COVID services as well.

### Star Ratings

CMS announced that it would modify how it calculates Star Ratings, allowing 2020 Star Ratings data to be carried over into 2021 for its Consumer Assessment of Healthcare Providers & Systems (CAHPS) and Healthcare Effectiveness Data and Information Set (HEDIS) surveys.

### Mid-Year Benefit Enhancements

In April 2020, CMS issued guidance allowing Medicare Advantage plans to better respond to the COVID-19 pandemic by allowing mid-year benefit enhancements, including supplemental benefits such as meal delivery and remote monitoring that may help keep beneficiaries safe at home during this time.

CMS further required all quantity limit restrictions to be lifted for prescription drugs, including "refill too soon" limitations and day supply limitations. All prescription drugs must be available via a mail order or home delivery benefit.

### Special Enrollment Period

CMS explained in a May 5, 2020 notice that a Medicare Advantage and Part D Special Enrollment Period (SEP) is "available for beneficiaries who were eligible for -- but unable to make -- an election because they were affected by the COVID-19 pandemic and meet the terms of the SEP."

### Enforcement Discretion

CMS stated that it will use its authority to postpone audits and relax certain enforcement actions in order to allow Medicare Advantage plans to focus on patient care during the pandemic.