

January 25, 2022

Chiquita Brooks-LaSure, Administrator  
The Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
P.O. Box 8016  
Baltimore, MD 21244-8013

Re: Calendar Year 2023 Medicare Advantage Rate and Policy Setting Process

Administrator Brooks-LaSure:

As the Centers for Medicare & Medicaid Services (CMS) prepares for the Calendar Year (CY) 2023 Medicare Advantage rate and policy setting process, we write to urge you to consider policies that maintain stability and support a strong Medicare Advantage option for over 28 million beneficiaries. The undersigned organizations represent community, policy, advocacy, health care, aging services organizations and others who partner and engage with Medicare Advantage to deliver supplemental benefits to millions of beneficiaries.

Medicare Advantage currently serves 46 percent<sup>1</sup> of the Medicare population, which is expected to increase in 2022 as enrollment is projected to reach 29.5 million beneficiaries.<sup>2</sup> Medicare Advantage also covers an increasingly diverse population, including Black, Latinx, Asian American and Pacific Islander, people with disabilities of all ethnicities, dual eligible, and low-income beneficiaries. The value and innovation in Medicare Advantage is demonstrated by its high-quality ratings and by increasingly offering enhanced supplemental benefits that meet the health care needs of Medicare's most underserved populations. Medicare Advantage delivers on its commitment to providing value to both beneficiaries and the federal government.

Medicare Advantage continues to serve its beneficiaries by increasing access to care, reducing out-of-pocket costs, and improving patient care and outcomes. As CMS considers future rulemaking, we request that CMS maintain a stable and predictable regulatory environment and that any policy changes to the Medicare Advantage program be considered in a holistic manner to avoid disruption in care for millions of beneficiaries, including our most vulnerable seniors.

Our organizations wish to underscore the importance of Medicare Advantage's benefit design flexibility and the ability of health plans to tailor benefits to meet the specific needs of populations with complex medical needs, including through Special Needs Plans (SNPs). The COVID-19 pandemic has caused serious interruptions in 1) seeking prevention services, 2) chronic disease management, and 3) changed health behaviors that have negative impacts on health, such as lack of physical activity and poor eating habits. The combined impact of these health behavior changes is being described by experts as a "health debt tsunami"<sup>3</sup> of increased

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<sup>1</sup> MedPAC public meeting, January 14, 2022. Available at: <https://www.medpac.gov/wp-content/uploads/2021/10/MA-status-MedPAC-Jan22.pdf>

<sup>2</sup> MedPAC. Report to the Congress: Medicare Payment Policy. March 2021. Available at: [https://www.medpac.gov/wp-content/uploads/import\\_data/scrape\\_files/docs/default-source/reports/mar21\\_medpac\\_report\\_to\\_the\\_congress\\_sec.pdf](https://www.medpac.gov/wp-content/uploads/import_data/scrape_files/docs/default-source/reports/mar21_medpac_report_to_the_congress_sec.pdf); Centers for Medicare and Medicaid Services. "CMS Releases 2022 Premiums and Cost-Sharing Information for Medicare Advantage and Prescription Drug Plans." September 30, 2021. Available at: <https://www.cms.gov/newsroom/press-releases/cms-releases-2022-premiums-and-cost-sharing-information-medicare-advantage-and-prescription-drug>

<sup>3</sup> "Confronting The Health Debt: The Impact of COVID-19 On Chronic Disease Prevention and Management," Health Affairs Blog, September 17, 2021. Available at: <https://www.healthaffairs.org/doi/10.1377/forefront.20210914.220940/full/>

chronic diseases. Providing supplemental benefits that support behavior change and access to health and social services will be essential moving forward to improve health outcomes, quality of life and reduce morbidity, mortality and health care spending.

Specifically, there has been a dramatic increase in health plan activity to address social risks of Medicare beneficiaries. Medicare Advantage plans are leveraging and utilizing benefit design flexibilities to focus on these unmet needs that impact beneficiaries' health and wellbeing, including social isolation and loneliness, food insecurity and lack of access to affordable housing and transportation. Research conducted by NORC at the University of Chicago found that Medicare Advantage plans offering supplemental benefits—including non-primarily health-related benefits and benefits targeted to the chronically ill—have tripled over the past year and a half, with 845 MA plans participating in this initiative in 2021.<sup>4</sup>

The ability to offer supplemental benefits is a unique feature nearly all Medicare Advantage plans incorporate into their benefit design and is critical in supporting care coordination as well as reducing health disparities and advancing health equity. Recent legislative and regulatory changes allow Medicare Advantage to offer targeted and comprehensive supplemental benefits, addressing both primarily health related and non-primarily health related benefits. Medicare Advantage is increasingly offering such benefits to foster care coordination, address social determinants of health (SDOH), and focus on the health of the whole beneficiary.<sup>5</sup>

We illustrate below the importance of supplemental benefits as they support care coordination and improve the health and wellbeing of beneficiaries. We also have included how critical the flexibility to offer such benefits is to connecting beneficiaries with resources from organizations and programs like the ones below.

- **Meals on Wheels America** deliver millions of nutritious meals to beneficiaries, in part through partnerships with Medicare Advantage plans that utilize supplemental benefits to provide such meals. During COVID-19, Meals on Wheels America not only provides food to Medicare Advantage beneficiaries but also connects and engages with them during a time when many feel isolated or alone.<sup>6</sup> In addition to providing nutritious meals and care services to vulnerable seniors, these partnerships have also helped improve health outcomes while reducing unnecessary hospitalizations and hospital re-admissions.<sup>7</sup>
- **SilverSneakers** is a healthy aging program offered as a supplemental benefit and promotes physical activity and social engagement among Medicare Advantage beneficiaries. Participating beneficiaries have 7.3 fewer inpatient hospitalizations, 7.6 fewer emergency department visits, and lower health care costs (total health care costs

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<sup>4</sup> Innovative Approaches to Addressing the Social Determinants of Health for Medicare Advantage Beneficiaries. Conducted by NORC at the University of Chicago. August 2021. Available at: [Innovative-Approaches-to-Addressing-SDOH-for-MA-Beneficiaries-FINAL.pdf](https://www.bettermedicarealliance.org/publication/innovative-approaches-to-addressing-sdoh-for-ma-beneficiaries-final.pdf) ([bettermedicarealliance.org](https://www.bettermedicarealliance.org))

<sup>5</sup> See Milliman. Overview of Medicare Advantage Supplemental Benefits and Review of Contract Year 2021 Offerings. February 2021. Available at: <https://www.bettermedicarealliance.org/publication/overview-of-medicare-advantage-supplemental-benefits-and-review-of-contract-year-2021-offerings/>; see also Milliman. Review of Contract Year 2022 Medicare Advantage Supplemental Healthcare Benefit Offerings. November 2021. Available at: <https://www.bettermedicarealliance.org/publication/review-of-contract-year-2022-medicare-advantage-supplemental-healthcare-benefit-offerings/>

<sup>6</sup> Better Medicare Alliance. Spotlight on Innovation: The Response to COVID-19 (Expanded Edition). June 24, 2020. Available at: <https://www.bettermedicarealliance.org/publication/spotlight-on-innovation-the-response-to-covid-19-expanded-edition/>

<sup>7</sup> Meals on Wheels America and Health Care Fact Sheet 2019. Available at: <https://www.mealsonwheelsamerica.org/learn-more/what-we-deliver/meals-on-wheels-health/2019/10/24/modern-healthcare-rebuilding-the-social-safety-net-is-in-everyone-s-interest>

declined 16.3 percent and total medical costs declined 18.4 percent) than comparable non-participating beneficiaries.<sup>8</sup>

- **USAgging** represents the national network of Area Agencies on Aging that provide a comprehensive range of home and community-based support services to older Americans and appreciates the flexibility for Medicare Advantage plans to provide supplemental benefits, including for in-home based care. Based on 2021 data from the USAgging Aging and Disability Business Institute’s survey on contracting between community-based organizations (CBO) and health care entities, the most common services CBOs were providing under contract with MA plans are case management/care coordination; support for care transitions such as from hospital to home to reduce readmissions; evidence-based health and wellness programs such as falls prevention or chronic disease self-management programs; assessment for long-term care needs; and screening and assessments related to the client’s social determinants of health needs. As Medicare Advantage plans expand their offerings of non-medical supplemental benefits, design flexibility helps enhance seniors’ quality of life and facilitates access to vital support services that enable them to continue living at home as long as possible.

As you can see from these few examples, supplemental benefits have long been a part of Medicare Advantage, and new opportunities have increased activity in this space. Providers, health plans, and CBOs are investing in offerings and partnerships, and any change that negatively impacts supplemental benefits will minimize the innovative approaches to addressing SDOH and advancing health equity.<sup>9</sup> We ask CMS to ensure Medicare Advantage retains the ability to design benefits to include robust supplemental benefit offerings that reflect the true costs of the benefits and deliver coordinated care that will further address the social needs of millions of beneficiaries. We recommend CMS:

- **Preserve the flexibility permitted in designing supplemental benefit offerings.**<sup>10</sup> Flexibility allows health plans to address issues applicable to their members and tailor benefits accordingly. Since these flexibilities began to be implemented, an increasing number of health plans offer services to address the non-medical needs of beneficiaries. For example, in 2022, 68 percent of health plans will offer meals, 39 percent will offer transportation, and 11 percent will offer in-home support, increases from 55 percent, 36 percent, and 6 percent, respectively, in 2021.<sup>11</sup> Further, supplemental benefit flexibility is an important tool for health plans as they seek to combat the ongoing opioid crisis. Plans

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<sup>8</sup> Avalere Health. Evaluating a Healthy Aging Program’s Impact on Health Outcomes in Medicare Advantage Beneficiaries. September 21, 2021. Available at: <https://www.tivityhealth.com/wp-content/uploads/2021/09/Avalere-SilverSneakers-White-Paper-Full-Version-FINAL1.pdf>

<sup>9</sup> Better Medicare Alliance. Innovative Approaches to Addressing Social Determinants of Health for Medicare Advantage Beneficiaries. August 2021. Available at: <https://bettermedicarealliance.org/wp-content/uploads/2021/08/Innovative-Approaches-to-Addressing-SDOH-for-MA-Beneficiaries-FINAL.pdf>

<sup>10</sup> See Department of Health and Human Services. Memo to MAOs “Reinterpretation of ‘Primarily Health Related’ for Supplemental Benefits.” April 27, 2018. Available at: [https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/hpms%2520memo%2520primarily%2520health%2520related%25204-27-18\\_21.pdf](https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/hpms%2520memo%2520primarily%2520health%2520related%25204-27-18_21.pdf); see also Department of Health and Human Services. Memo to MAOs “Implementing Supplemental Benefits for Chronically Ill Enrollees.” April 24, 2019. Available at: [https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/Supplemental\\_Benefits\\_Chronically\\_Ill\\_HPMS\\_042419.pdf](https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/Supplemental_Benefits_Chronically_Ill_HPMS_042419.pdf)

<sup>11</sup> Avalere Health. “More Medicare Advantage Plans Will Offer Non-Medical Benefits in 2022.” October 19, 2021. Available at: <https://avalere.com/insights/more-medicare-advantage-plans-will-offer-non-medical-benefits-in-2022>; see Milliman. Review of Contract Year 2022 Medicare Advantage Supplemental Healthcare Benefit Offerings. November 2021. Available at: <https://bettermedicarealliance.org/publication/review-of-contract-year-2022-medicare-advantage-supplemental-healthcare-benefit-offerings/>

can offer expanded options for substance use disorder and treatment, including counseling, massage therapy, telehealth services, and transportation to appointments.

- **Standardize the format and language used on the Medicare Plan Finder to ensure health plans discuss supplemental benefits in a similar manner.** Standardization will increase transparency in supplemental benefit offerings while providing beneficiaries with additional information to make more informed decisions about plan options. Beneficiaries may struggle to compare supplemental benefit offerings because of the variance in how supplemental benefits are described.
- **Require the disclosure of additional information about supplemental benefits on the Medicare Plan Finder.** Disclosing additional information about supplemental benefits will highlight the variety of benefits offered in Medicare Advantage, which can be unclear given the current limitations in the Medicare Plan Finder.
- **Build on the opportunities available under the V-BID model so health plans can better address and reduce health disparities.** For example, the authorities should be consolidated to promote transparency, reduce confusion around eligibility and the type of benefits offered, and facilitate broader adoption of SDOH-related supplemental benefits. This should include allowing Employer Group Waiver Plans (EGWPs) the ability to participate in the model, which is not currently permitted. CMS should also consider permanent authorization at the end of the demonstration to promote innovations and investments that require multi-year continuity for effectiveness.

We appreciate your consideration of these comments and policy recommendations and look forward to partnering with CMS on our shared goals of promoting stability and affordability for the over 28 million beneficiaries who choose and rely on Medicare Advantage. To that end, we also request a meeting to engage in a dialogue on these important policy priorities and share our organizations' insights and perspectives on ways to strengthen Medicare Advantage.

Sincerely,

USAgings  
The Association of Behavioral Health and Wellness  
Coalition of Texans with Disabilities  
Consumer Action  
The Gerontological Society of America  
Health Care Transformation Taskforce  
Health CAWS  
LeadingAge  
Population Health Alliance  
SilverSneakers  
SNP Alliance  
YMCA

cc: Jonathan Blum, Principal Deputy Administrator and Chief Operating Officer  
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