



MA VALUE-BASED INSURANCE DESIGN MODEL

Intervention Designs and
2017 Implementation
Experience

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Today's Speakers

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Medicare Advantage began testing the VBID model in 2017

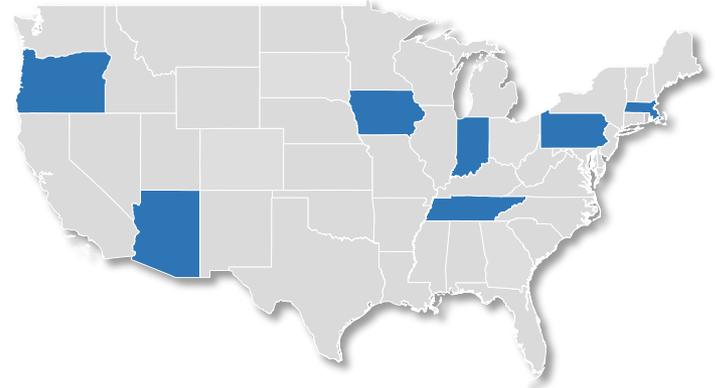
- MA VBID is a voluntary model
- The model waived the uniformity requirement in both Part C and D that precluded offering different benefits and cost sharing to different enrollees in the same plan
- CMS does not provide financial incentives to model participants
- Participants must show savings or budget neutrality over the model period
- Participants could not advertise their participation in VBID



Testing focused on 7 states and 7 conditions

Eligible States

- Arizona
- Indiana
- Iowa
- Massachusetts
- Oregon
- Pennsylvania
- Tennessee



Eligible Conditions



- Chronic obstructive pulmonary disorder (COPD)
- Congestive heart failure (CHF)
- Coronary artery disease (CAD)
- Diabetes
- Hypertension
- Mood disorders
- Past stroke



Participants could choose from 4 VBID approaches

1. Reduced cost sharing for high-value services
2. Reduced cost sharing for high-value providers
3. Reduced cost sharing for beneficiaries participating in certain care management activities
4. Provision of extra supplemental benefits



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VBID
designs



Early
implementation
experiences



9 parent organizations (POs) joined the model test in 2017

- 5 POs from **PA**, 3 from **MA**, and 1 from **IN**
- 1 **national insurer** and 8 **regional insurers**
- 3 participants are **Blue Cross** and/or **Blue Shield** affiliates



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VBID designs at a glance

Intervention Characteristics	PO								
	A	B	C ^a	D	E	F	G	H	I
Condition(s)	Diabetes	Diabetes and/or COPD	CHF and diabetes and/or COPD	Hypertension	COPD	COPD and/or CHF	CHF	Diabetes and CHF	CHF
VBID approach ^b	3	2, 3, 4	3	1	3	3	3	1	4
Participation requirements	Scorecard ^c	CM/DM	CM/DM	None	CM/DM	CM/DM	CM/DM	None	CM/DM
PCP visits	X	X				X	X		
Specialist visits	X	X			X	X	X	X	
Drugs				X			X		
Diagnostics/DME		X			X				
High-value providers		X							
Supplemental benefits		X							X
Cost-sharing rebates	X		X						

^a PO C offered rebates for any incurred Part C cost sharing.

^b VBID approaches are (1) reduced cost sharing for high-value services, (2) reduced cost sharing for high-value providers, (3) reduced cost sharing contingent on beneficiary participation in CM/DM, or (4) provision of additional supplemental benefits.

^c "Scorecard" refers to completion of four preventive services.

VBID design: PO A



Condition: Diabetes



Approach: Reduced cost sharing, conditional on completing a “scorecard” with 4 preventative screenings for diabetes



Benefits: Beneficiaries who complete the scorecard receive quarterly rebates (up to \$200 per year) for incurred cost sharing for primary care, endocrinology, foot care, and eye exams

VBID design: PO B



Condition: Diabetes and/or COPD



Approach: Reduced cost sharing for seeing high-value providers (PCP and specialist), DME, and supplemental benefits, conditional on participating in care/disease management



Benefits: Beneficiaries with at least a quarterly contact with a care manager pay \$0 copays for up to 4 visits to primary care and \$10 copays for up to 4 visits to specialty care providers designated as “high-value”

Beneficiaries also pay \$0 copays for one diabetic retinal photograph per year and certain periodontal maintenance and surgical procedures. \$5 copays for up to 48 one-way trips to medical appointments. 5% coinsurance for diabetic testing supplies.

VBID design: PO C



Condition: CHF + COPD or CHF + Diabetes



Approach: Reduced cost sharing, conditional on participating in care/disease management



Benefits: Beneficiaries receive quarterly rebates for incurred Part C cost sharing if they complete up to 6 care/disease management activities. For each completed activity, beneficiaries earn \$25 (\$150 max per year).

VBID design: PO D



Condition: Hypertension



Approach: Reduced copays for high-value services



Benefits: Beneficiaries receive \$0 cost sharing for hypertension drugs on tiers 1-3. They pay no drug deductible and no cost sharing in the coverage-gap or catastrophic-benefit phases.

VBID design: PO E



Condition: COPD



Approach: Reduced cost sharing, conditional on participating in care/disease management



Benefits: Beneficiaries participating in care/disease management pay \$0 copays for pulmonology, cardiology, sleep medicine, and palliative care visits

They also pay \$0 copays for certain lab tests and DMEs, including pulmonary function tests, sleep studies, CT scans for the chest, and oxygen supplies

VBID design: PO F



Condition: COPD + CHF



Approach: Reduced cost sharing, conditional on participating in care/disease management



Benefits: Beneficiaries participating in care/disease management pay \$0 copays for primary care visits and \$10 or \$20 copays for visits to cardiologists and pulmonologists

VBID design: PO G



Condition: CHF



Approach: Reduced cost sharing, conditional on participating in care/disease management



Benefits: Beneficiaries participating in care/disease management pay \$0 copays for primary care and cardiology visits

They also pay \$0 copays for select generic prescription drugs for CHF

VBID design: PO H



Condition: Diabetes + CHF



Approach: Reduced cost sharing for high-value services



Benefits: Beneficiaries pay \$10 copays for visits to cardiologists and endocrinologists and \$5 copays for visits to podiatrists

VBID design: PO I



Condition: CHF



Approach: Additional supplemental benefits, conditional on participation in care/disease management



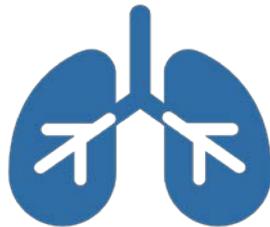
Benefits: Beneficiaries receive free blood pressure cuffs, scales, and pulse oximeters that are monitored remotely by care managers



CHF (n=5)



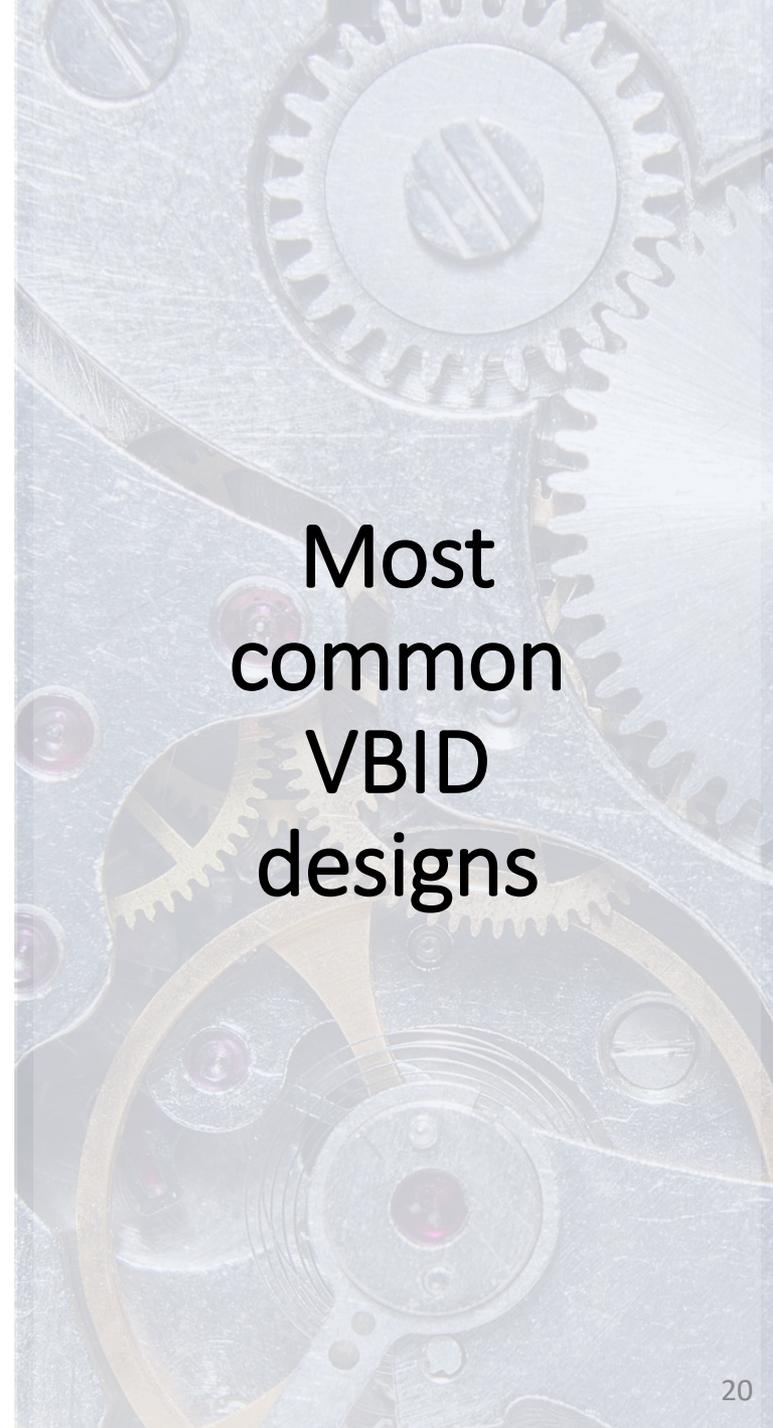
Diabetes (n=4)



COPD (n=4)

POs applied VBID
most frequently
to
3 conditions

- Most POs offered VBID benefits if beneficiaries met certain requirements (n=7)
- Specialist (n=6) and PCP (n=4) visits were the most commonly targeted VBID services
- Only one participant chose to combine several VBID approaches (high-value providers and supplemental benefits)



Most
common
VBID
designs

7 POs made VBID benefits conditional

[B]enefits alone are not enough to change the outcome. We really believe that this care coordination and care management resource, coupled with removing the barriers around benefit, is important to long-term sustainability.

Patients have to
participate in care
management

7 POs made VBID benefits conditional

We have used the scorecard as a way to notify doctors that their members were in need of services and to try to **encourage members to get the services that they need.**

Diabetic patients must complete a “scorecard” indicating receipt of 4 preventive screenings

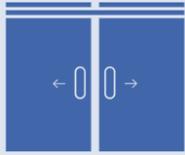
2 POs chose rebates instead of reduced cost sharing at the point of service

When you're dealing with something like point of service, you have to be able to **identify eligible members** who get the co-pay reductions...There would be a lot **more communication** going back and forth and it's something only for two PBPs. Trying to **educate providers**, get the information back and forth would have been a little bit more complicated on the provider's side...

Rebates are easier to implement

POs used different approaches to enroll beneficiaries into VBID

Auto-enroll



- 2 POs auto-enrolled all beneficiaries meeting VBID eligibility requirements:
 - Filling a qualified prescription automatically results in \$0 cost sharing (n=1)
 - Visiting an eligible specialist automatically results in lower cost sharing (n=1)

Opt-in



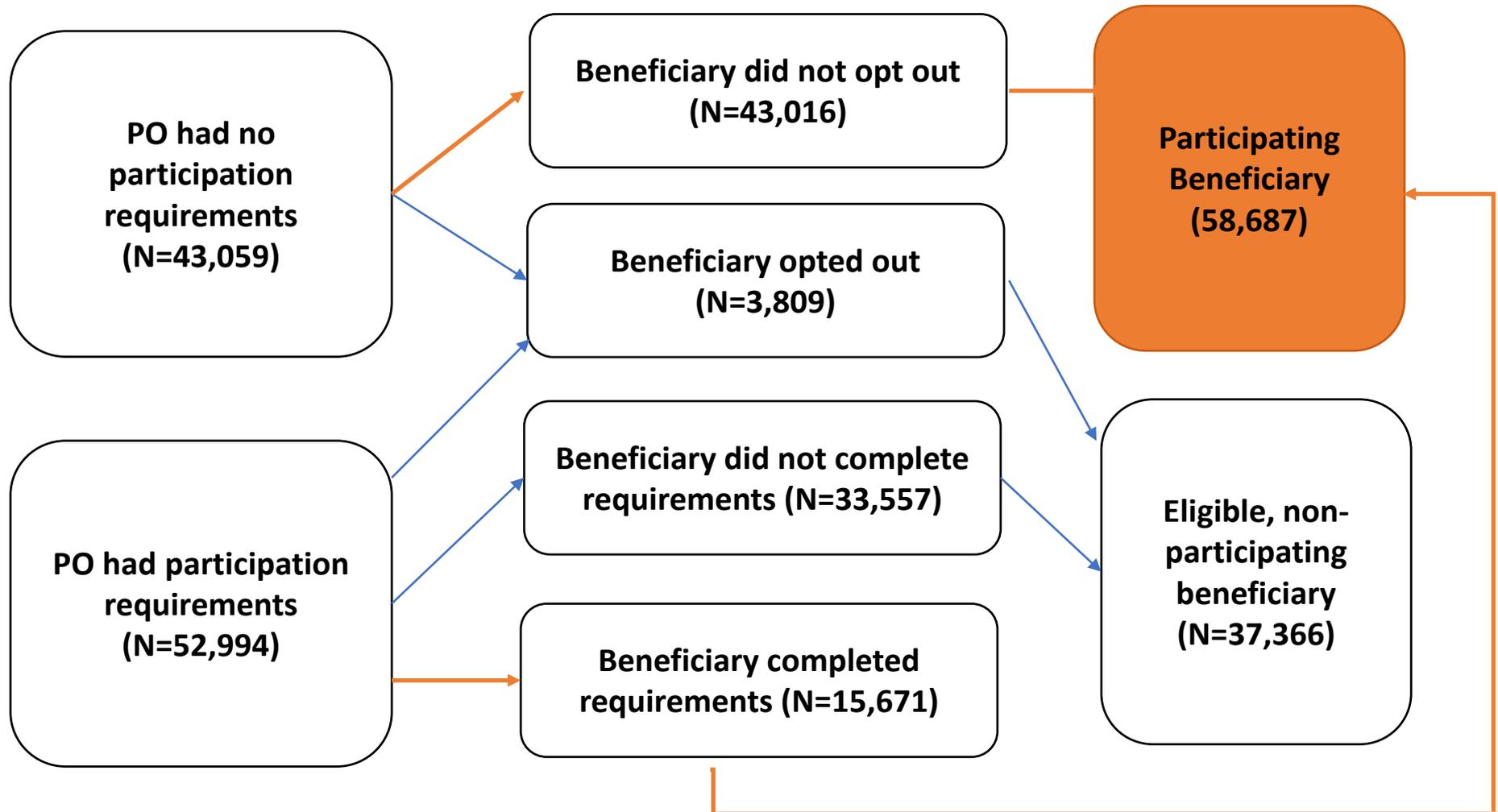
- 7 POs with conditional participation had a range of opt-in requirements:
 - Confirming willingness to participate in VBID + participating in care management (n=5)
 - Completing care management sessions (n=1)
 - Completing 4 preventative services on the scorecard (n=1)

Opt-out



- All POs allow beneficiaries to opt-out at any time

Participation status of VBID-eligible beneficiaries (N=96,053)





Intervention
uptake



VBID
designs



Early
implementation
experiences

- VBID required new workflows and lines of communications
- Managing parallel benefit structures required active involvement of the IT department
- Poor health literacy can affect beneficiary engagement
- Marketing restrictions created confusion and limited communication → VBID participants now can market VBID benefits during open enrollment
- Leveraging existing programs and training staff helped with implementation
- Cross-departmental collaboration was helpful



Conclusions

- Participants valued the chance to develop innovative benefit designs that may improve beneficiary health and reduce costs
- Many POs viewed care management as a high-value service and saw VBID as a tool to increase beneficiary engagement
- Participants with more complex VBID designs experienced more implementation challenges, but it is not clear yet whether it will affect their intervention outcomes





Questions & Answers

Send your questions about the model to VBID@cms.hhs.gov

Additional Resources:

VBID website:

<https://innovation.cms.gov/initiatives/vbid>

Full evaluation report:

<https://innovation.cms.gov/Files/reports/vbid-yr1-evalrpt.pdf>

Findings at a Glance:

<https://innovation.cms.gov/Files/reports/vbid-yr1-evalrpt-fg.pdf>