Population Health NEWS

Medicare Advantage Expansion Foreshadows Growth of Home-Based Palliative Care Population Health Solutions

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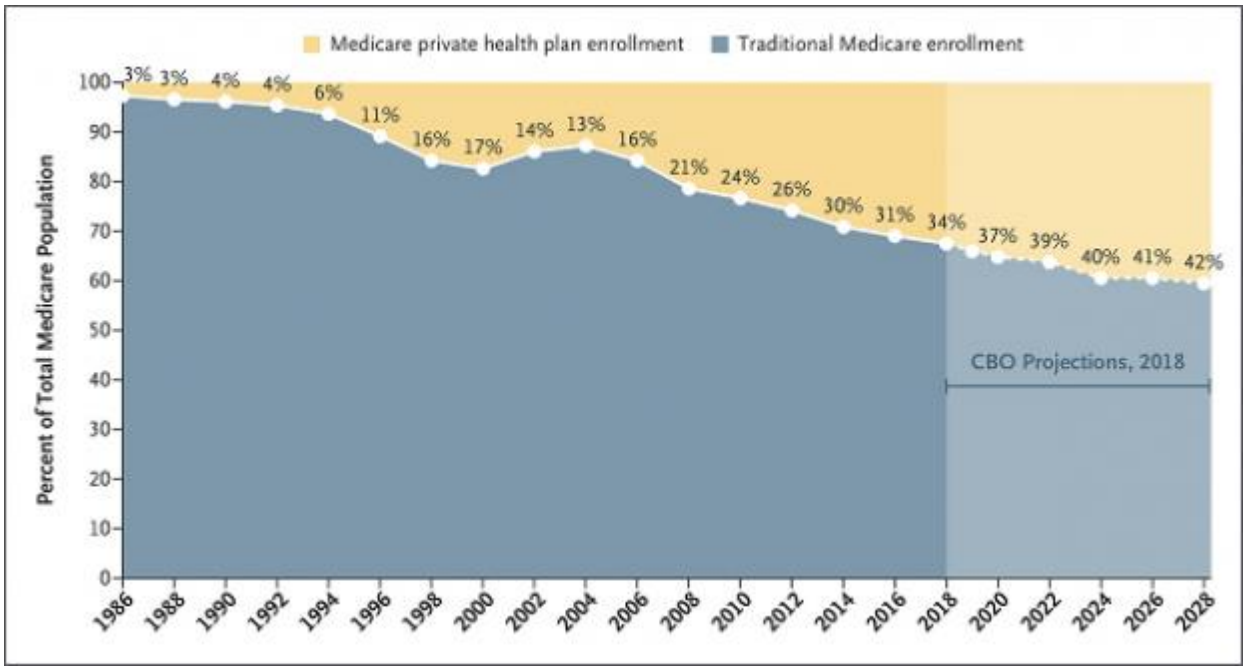
As the nation's senior population booms, and more of them turn to Medicare Advantage (MA) plans for coverage, expect growing reliance on home-based population health palliative care solutions, especially now that CMS has approved coverage of supplemental benefits. These additional benefits have direct relevance for the provision of palliative care and social services for beneficiaries enrolled in MA plans.

An estimated 3,700 MA health plans will be available in 2019, with 91 percent of beneficiaries able to choose from 10 or more plan options. According to a new report from *The New England Journal of Medicine*, the number of MA plans has more than tripled since 2005.

It is expected that a growing number of older adults who are eligible for Medicare will choose Medicare Advantage during the 2019 Medicare Open Enrollment Period. CMS anticipates MA enrollment to increase from 20.2 to 22.6 million enrollees in 2019.

Over the next 10 years, the proportion of enrollees covered by MA will rise from 34 percent to 42 percent of the overall Medicare population. At the same time, federal spending on MA enrollees will nearly triple, rising from $200 billion this year to $580 billion by 2028. Many expect that these trends will continue given that fact by 2050, the number of people on Medicare who are 80 and older will nearly triple, and the number of people in their 90s and 100s will quadruple.

The United States spends nearly twice as much on health care as other high-income countries, yet has poorer population health outcomes. This poses critical and far-reaching challenges for American consumers, policymakers, and business leaders.



Source: http://www.thefiscaltimes.com/2018/11/15/Growth-Medicare-Advantage

Fortunately, MA plans perform more effectively than traditional Medicare, and are entering new territory as they begin to customize care for the vast number of seniors with a serious or advanced illness and who will benefit from home-based palliative care. MA plans can provide these additional benefits – that may include palliative care -- to help avoid downstream utilization of high-cost services driven by acute-care and emergency needs.

In terms of improving cost and outcomes, MA beneficiaries with chronic conditions experienced a better quality of care than similar fee-for-service (FFS) Medicare beneficiaries. One study found 23 percent fewer inpatient stays and 33 percent fewer emergency room visits than FFS Medicare beneficiaries.

This specialized care focuses on providing relief from the symptoms and stress of a serious illness with the goal to improve quality of life for both the patient and the family. As organizational leaders begin to recognize that this fragile, vulnerable population requires a more concentrated approach to effectively address the impact on cost and quality of care, home-based palliative care becomes one of the most attractive programmatic additions to MA plan offerings.

CMS Alleviates Barriers to Adoption

In response to this significant transformation in healthcare delivery is the recent introduction of regulatory and legislative policy changes to MA that will: 1) provide plans with more flexibility and enable provision of services matched to individual member needs; and 2) expand the types of services that can be covered. These changes have direct relevance for provision of palliative care and social services for beneficiaries in MA plans.

Specifically, MA plans will be allowed to pay for services matched to the needs of these members, including food, transportation, personal care aides, and home-based palliative care. Home-based palliative care solutions that take a population health management approach are best-positioned to capitalize on these changes and demonstrate their value to MA plans with flexible, innovative care options.

As part of the April 2018 CMS policy and payment update to the MA program was a reinterpretation of "primarily health-related" supplemental benefits: CMS will begin allowing the program to cover new supplemental benefits and providing flexibility for plans to offer different supplemental benefits.

The supplemental benefits memo clarifies that these benefits are allowable ". . . *if they compensate for physical impairments, diminish the impact of injuries or health conditions, and/or reduce avoidable emergency room utilization"* and if they act *"to ameliorate the functional/psychological impact of injuries or health conditions."* The memo goes on to provide examples of such allowable supplemental benefits, including:

- In-Home Support Services to assist with activities of daily living ("ADLs") such as bathing, dressing, and toileting, as well as instrumental activities of daily living ("IADLs") such as shopping, cooking, and housekeeping;
- Support for Caregivers of Enrollees, such as respite services, counseling, and training; and, importantly…
- Home-Based Palliative Care, described as "services to diminish symptoms of terminally ill members with a life expectancy of greater than six months not covered by Medicare (e.g., palliative nursing and social work services in the home not covered by Medicare Part A)"

The specific mention of home-based palliative care is critical because CMS is explicitly acknowledging how valuable palliative care is and giving MA plans permission to cover it outside of acute care settings as a formal benefit. This change will allow MA-contracted nurses and social workers—whose time is not directly billable under traditional Medicare Fee-for-Service—to go into the home to provide the high-quality services that palliative care includes.

For those that have access to the resources to take advantage of this opportunity, this change will significantly improve the long-term sustainability of MA-contracted palliative care programs. While some MA plans already cover home-based palliative care, they have historically been unable to add it as a benefit, which both allows plans to compete on the quality and richness of services provided and to provide greater transparency to consumers looking to purchase MA coverage.

Another key point: the supplemental benefits afforded to beneficiaries include items and services that address certain Social Determinants of Health (SDoH) to improve access to services, and enhance quality of life. These changes will also impact the collective abilities of the skilled nursing community to coordinate care for patients upon discharge.

Social Determinants of Health

More than 80 percent of payers are integrating SDoH into their benefit programs and initiatives, according to a new survey. This confirms widespread recognition of the value of developing practical, evidence-based strategies to improve measurable health outcomes and promote health and wellness, health equity, and social interaction. For example, those living in poverty may experience a number of negative health determinants, such as stress, social exclusion, unemployment and addiction.

In addition to improving access to social problems to address SDoH, many industry leaders support reliance on technological tools to aggregate SDoH information, combine it with clinical information, and through analytics and AI predict those patients that would be at greater risk for noncompliance, adverse events, and poor outcomes.

A Population Health Approach to Home-Based Palliative Care

With the introduction of innovative models, such as Turn-Key Health's Palliative Illness Management solution, it is now possible for an MA plan or a health care delivery system to use meaningful data to identify high need individuals and seek them out for structured and consistent home-based palliative care that scales across broad geographies.

Furthermore, Turn-Key Health's solution enables proactive identification of members earlier in the disease trajectory by using claims data and predictive analytics / AI to identify members earlier in their disease progression who are likely going to be overmedicalized during the last 6-12 months of life. This approach differs dramatically from the traditional community-based palliative care model that calls upon local resources but lacks the appropriate oversight that payers require to serve larger populations, drive better outcomes, and function as a palliative medical home.

It is a model which provides smart benefits flexible enough to address social determinants and aligns strategic goals between payers, providers, and government to increase cost efficiencies and achieve better outcomes for members with an advanced or serious illness.

Ultimately, this approach brings a greater focus on health within non-medical sectors and addresses health-related social service needs through the healthcare system with an expectation of improving the health of millions of people throughout the country.

Key Success Factors

1. Identify members in this consumptive population earlier in the disease trajectory;
2. Facilitate consistent, effective engagement with these patients and their caregivers;
3. Streamline care coordination, communication and reporting patient progress to treating physicians and the medical home;
4. Achieve programmatic accountability and scalability for larger populations across broad geographic regions.
5. Demonstrate evidence of practice with the recently released National Consensus Project's Clinical Practice Guidelines for Quality Palliative Care, 4th edition. The guidelines create a blueprint for excellence by establishing a comprehensive foundation for gold-standard palliative care for all people living with a serious or advanced illness, regardless of their diagnosis, prognosis, age or setting.

Good News for MA Enrollees

In addition to the increased benefits and coverage of SDoH, for the second year in a row, MA is driving down out of pocket costs. The average Medicare Advantage monthly premium will decrease 6.5 percent in 2019, from $29.81 in 2018 to $28.00 in 2019.

CMS estimates that 83 percent of MA enrollees will have the same or lower premium in 2019 if they continue in their same plan, and 26 percent of enrollees will see premium decreases. Approximately 46 percent of enrollees will have access to a zero-premium plan in 2019.

These positive signals from both public and private sectors will further stimulate MA enrollment. With this growth, home-based palliative care solutions that take a population health management approach are poised to capitalize on these market-changing trends.