MA Enrollment Continues to Increase

Out-of-pocket costs continue to GROW

Higher cost-sharing adversely affects health, widens disparities, and potentially increases costs

MA beneficiaries require basic needs to purchase medicines at rates higher than before implementation of Medicare Part D

Potential Solution: Clinically Nutured Cost-Sharing

Why not lower cost-sharing on high-value services?

The anti-discrimination clause of the Social Security Act does not allow clinically nuanced consumer cost-sharing. "Consumer cost-sharing level on a specific drug, lowered based on clinical need or condition for the coverage or provision of benefits?"

Implementing Clinical Nuance: Value-Based Insurance Design

Set consumer cost-sharing level on clinical benefit - not acquisition price - off the shelf
- Reduce or eliminate financial barriers to high-value clinical services and providers
- Successfully implemented by hundreds of public and private payors
- Increases adherence and reduces health disparities at no additional cost
- Broad multi-ankleholder and bipartisan political support

CMS Announces Medicare Advantage Value-Based Insurance Design Model Test

Precision Medicine Requires Precision Benefit Design

A 5-year demonstration program will test the utility of incorporating patient-specific risk and health plan disenrollment plans that may properly use high-value clinical services and providers.

Mitigates cost-related non-adherence leading to advanced clinical outcomes
- Reduces medical spending efficiently and optimally for patients and health plans
- Aligns payment reform and consumer engagement initiatives

CENTER FOR VALUE-BASED INSURANCE DESIGN