



Value-Based Insurance Design Better Care Act Introduced to Congress

Washington, D.C. July 23, 2014 -- Representatives Diane Black (R-TN) and Earl Blumenauer (D-OR) introduced [H.R. 5183 - The V-BID for Better Care Act of 2014](#) to establish a regional demonstration program for [Medicare Advantage plans](#) that allows the utilization of [Value-Based Insurance Design \(V-BID\)](#) to reduce beneficiary cost-sharing for selected high-value prescription medications, providers, and clinical services related to chronic disease care. A [summary](#) of the bill and [official release](#) are available. A companion bill, [S.2783](#) was [introduced](#) in the Senate in September of 2014.

Specifically, the bipartisan, bicameral bills direct the Secretary of Health and Human Services to establish a three-year demonstration program allowing participating Medicare Advantage plans to test V-BID principles of reduced copayments and coinsurance for high-performing providers, evidence-based medications, or clinical services related to specific chronic disease care, while explicitly prohibiting plans from increasing copayments or coinsurance to discourage use of services.

[Evidence](#) is accumulating that V-BID programs improve quality, reduce disparities, and in some circumstances, lower health care costs. The clinical and economic impact of the demonstration project will be evaluated. Expansion of the project depends on whether implementing [V-BID plans](#) that provide [clinically nuanced](#) incentives for beneficiaries with chronic conditions can improve patient-centered outcomes and control health care cost growth.

For more information on [V-BID and Medicare Advantage](#), please visit our [website](#) or contact us at 734-615-9635 or vbidcenter@umich.edu.

The University of Michigan Center for Value-Based Insurance Design leads in research, development, and advocacy for innovative health benefit plans.