

V-BID X

A NEW PLAN OPTION FOR THE INDIVIDUAL HEALTH
INSURANCE MARKET



Moderator



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A New Plan Option for the Individual Health Insurance Market

Webinar Agenda:

- **Welcome and Background**
- **Panelist Introduction**
- **Presentation**
- **Panel Reaction**
- **Question and Answers**
 - **Please ask questions via the question box throughout the program**

Panelists



Michael Chernew

Director | HMR,
Harvard Medical School



Greg Gierer

Senior Vice President
for Policy | AHIP



Lourdes Grindal-Miller

Director of Marketplace Plan
Management Group | CMS



Peter Lee

Executive Director |
Covered California

Moving V-BID Forward

Despite the promise of V-BID to increase the utilization of high-value services, implementation has slowed:

- **Lack of a 'standard' V-BID plan**
- **Concerns regarding the cost impact of increased utilization of high-value services (i.e. actuarial value)**

Moving V-BID Forward

- **Benefit designs incorporating clinically nuanced cost-sharing approaches should be particularly attractive in exchanges, given the lack of flexibility concerning premiums and plan deductibles**
- **Goal: build a V-BID plan for individual market that does not increase premiums or deductibles – V-BID X**



Michael Chernew, PhD

Healthcare Markets and Regulation Lab
Harvard Medical University

V-BID X: Guiding Principles

- **Make concrete recommendations**
- **This is NOT a theory or conceptual exercise**
 - **Anticipate and address barriers**
 - **Insurers must be able to take what we develop to design a V-BID product**
- **The best must not be the enemy of the good**
- **Output would be publically available**

V-BID X: Project Members



**COVERED
CALIFORNIA**



**BlueCross
BlueShield
Association**



**America's Health
Insurance Plans**



CENTERS FOR MEDICARE & MEDICAID SERVICES



- Research supported by Arnold Ventures
- Oliver Wyman provided actuarial estimates

V-BID X: Approach

- **Pick a 'Base Plan'**
- **Identify high- and low-value services**
- **Refine base plan to have same AV but:**
 - **Lower cost sharing for high-value services**
 - **Higher cost sharing for low-value services**
 - **No increase premiums or deductibles**

V-BID X: Process

4 meetings

1: Discuss issues/ ground-rules/ process

2: Define high-value services

- Scored by Oliver Wyman

3: Define low-value services

- Scored by Oliver Wyman

4: Combine high and low value to create plan

V-BID X: Selection of Services

- 1. Favor services with the strongest evidence-base and external validation**
- 2. Favor services that are more responsive to cost-sharing**
- 3. Favor services with a high likelihood to be high- or low-value, independent of the clinical context (minimal nuance)**
- 4. Consider equity, adverse selection, impact on special populations, and the risk pool**

High-Value Services and Drugs with Highly Reduced or Eliminated Cost-Sharing

Glucometers and testing strips	Anti-thrombotic/anticoagulants
LDL testing (hyperlipidemia)	Anti-depressants
Hemoglobin A1C testing (diabetes)	Statins
Cardiac rehabilitation	Antipsychotics
INR testing (hypercoagulability)	ACE inhibitors and ARBs
Pulmonary rehabilitation	Beta blockers
Peak flow meters (asthma)	Buprenorphine-naloxone
Blood pressure monitors (hypertension)	Anti-resorptive therapy
Glucose lowering agents	Tobacco cessation treatments
Rheumatoid arthritis medications	Naloxone
Inhaled Corticosteroids	Thyroid-related
Antiretrovirals	

High-Value Branded Drug Classes with Reduced Cost-Sharing

Pre-exposure prophylaxis for HIV

Hepatitis C direct-acting combination

Anti-TNF

Low-Value Services with No Coverage

Spinal fusions

Vertebroplasty and kyphoplasty

Vitamin D testing

Proton beam therapy for prostate cancer

Commonly Used Services with Limited Value and Increased Cost-Sharing

Outpatient specialist services	X-rays and other diagnostic imaging
Outpatient labs	Outpatient surgical procedures
High-cost imaging	Non-preferred branded drugs

V-BID X: Plan Flexibility

The list of services and service categories used in this first iteration of V-BID X **represents just one version of what such a plan design could look like.**

Payers have significant flexibility regarding how to design a version of V-BID X. Key parameters include:

- **Selection of high-value services for reduced cost-sharing**
- **Level of cost-sharing reduction for high-value services**
- **Selection of low-value services for increased cost sharing**
- **Level of cost-sharing increase for low-value services**
- **Determination of the actuarial value of the plan**

V-BID X: Key Takeaways

- **Cost neutral V-BID designs are feasible. Coverage can be enhanced for targeted high-value services, **without raising premiums and deductibles****
- **There are a large number of plausible combinations of services or cost-sharing changes that could fit different needs and goals, depending on the carrier and market**



Greg Gierer

Senior Vice President for Policy | America's Health Insurance Plans



Lourdes Grindal-Miller

Director of Marketplace Plan Management Group | CMS



Peter Lee

Executive Director | Covered California

Q & A

Please ask questions through the question box.

Thank you for participating!

A recording of this webinar will be available

More information about V-BID X can be found at

vbidcenter.org/initiatives/vbid-x/

For additional questions, please email

vbidcenter@umich.edu



#VBID