MA enrollment continues to increase, nearly doubling over the last decade. 34% of all Medicare beneficiaries are enrolled in MA.

Average maximum out-of-pocket expenses have increased over time:
- $4,286 in 2011
- $5,003 in 2015
- $5,069 in 2019

Higher Cost Sharing adversely impacts health, economic disparities, and potentially increases costs:
- 20 lower-cost outpatient*.
- Increased cost sharing for office visits.

In addition, mandatory rates were 3.2% lower in plans with shared cost sharing compared to those with full coverage.

A Potential Solution Clinically-Nuanced Cost Sharing
Clinical Nuance states that a service differs in clinical benefit produced, depending on:
- Who receives it
- Who provides it
- Where it's provided

Implementing Value-Based Insurance Design in Medicare Advantage:
- Increase adherence and reduce disparities
- Reduce or eliminate financial barriers to high-value clinical services and providers

Options for Implementation:
- Voluntary model for beneficiaries nationwide including Part D and Medicare Advantage plans.
- Available in all 50 states.

MA V-BID Model Test
Demonstrates the Model with variation of the universe can be participated only in the model:
- Demonstrates the concept in Medicare Advantage Capitated Program.

V-BID 2.0 allows model test MA plans to:
- Reduce reduced cost-sharing and supplemental benefits in a more targeted fashion.
- Increase access to new interventions like telehealth services, and wellness and healthcare planning.
- Includes Medicare hospice benefit in their Part B benefit package.

V-BID in MA: Who Benefits?
- Aligns with provider incentives
- Improves efficiency of health care spending
- Increases medication adherence

V-BID in MA: A Potential Solution
- Reduces or eliminates financial burdens to high-value clinical services and providers
- Demonstrates the concept in Medicare Advantage Capitated Program.

Other Important Information:
- Increased Plan Flexibility
- CMS announced a policy update in 2019 to allow MA and HMO Advantage plans.

2021 Medicare Part D Senior Savings Model
MC plans can choose to participate in Medicare Advantage Capitated Program.

VA V-BID Model Test
Demonstrates the concept in Medicare Advantage Capitated Program.

Options for Implementation:
- Voluntary model for beneficiaries nationwide including Part D and Medicare Advantage plans.
- Available in all 50 states.

V-BID 2.0 allows model test MA plans to:
- Reduce reduced cost-sharing and supplemental benefits in a more targeted fashion.
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V-BID in MA: Who Benefits?
- Aligns with provider incentives
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