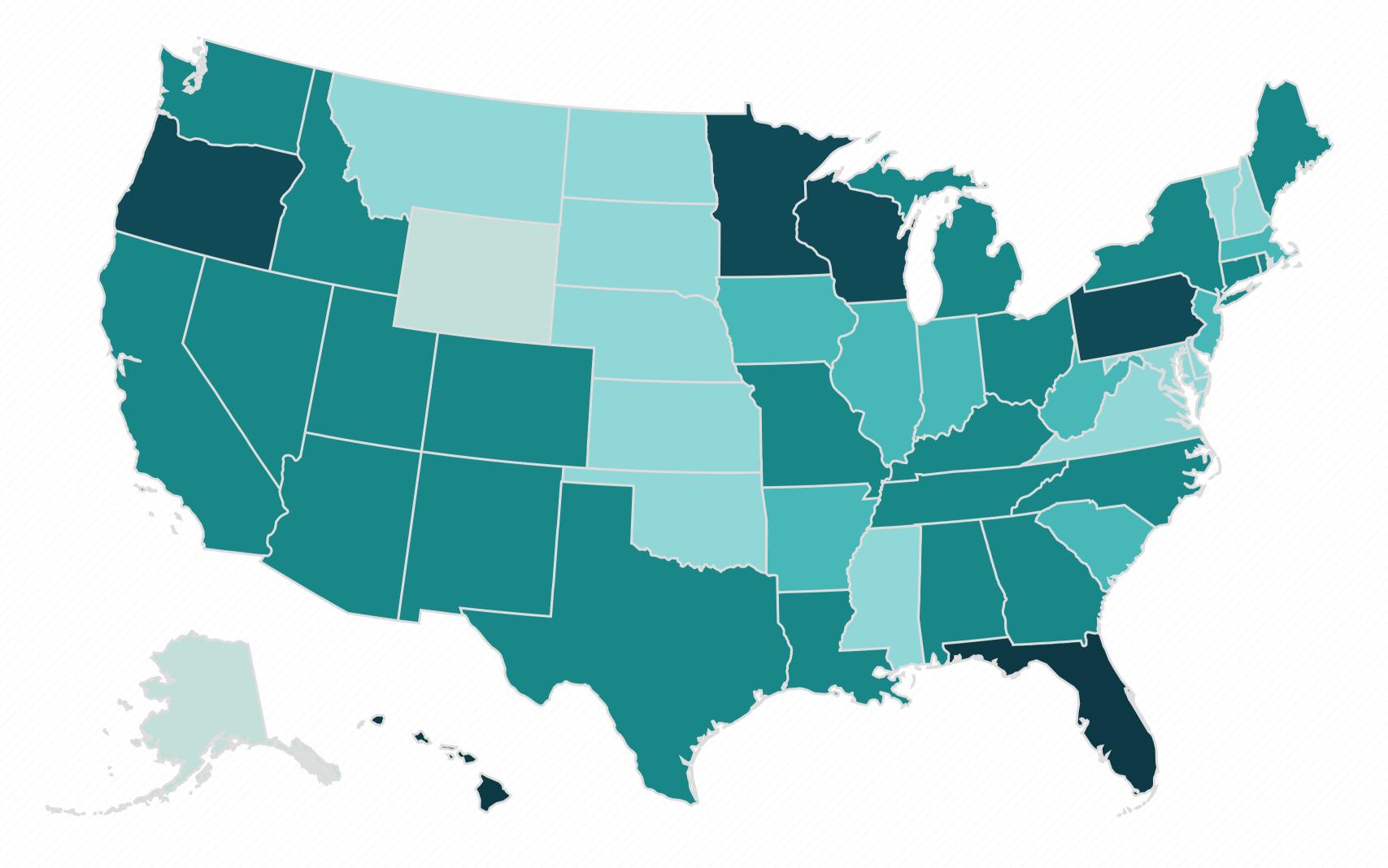
THE EXPANDED ROLE OF V-BID IN MEDICARE ADVANTAGE

MA enrollment continues to increase, nearly doubling over the last decade



34% of all Medicare beneficiaries are enrolled in MA

population enrolled in MA in 2019

≤ 10% 11%-20% 21% - 30% 31% - 40% > 41%

https://www.kff.org/medicare/fact-sheet/medicare-advantage/ Average maximum out-of-pocket expenses have increased over time

\$5,059 in 2019 \$5,003 in 2015 \$4,285 in 2011

https://www.kff.org/medicare/issue-brief/a-dozen-facts-about-medicare-advantage/ https://www.kff.org/medicare/fact-sheet/medicare-advantage/

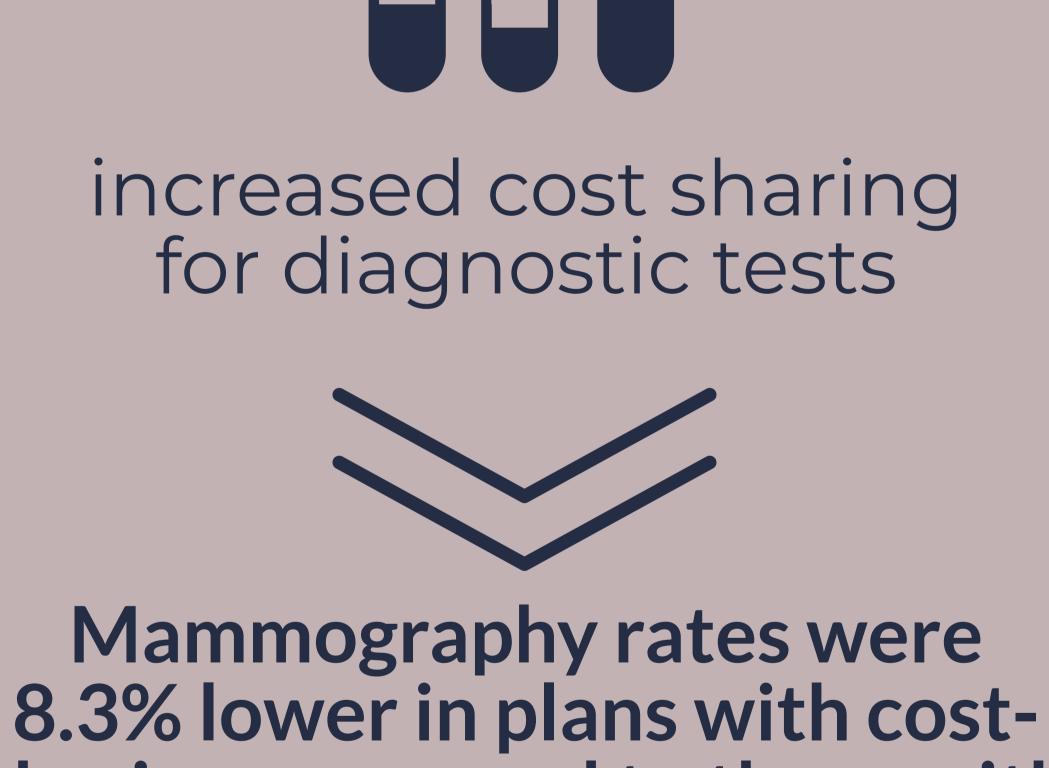
adversely affects health, worsens disparities, and potentially increases costs

HIGHER COST SHARING



20 fewer outpatient visits*

2.2 additional hospital admissions* (* Per 100 Enrollees) Trivedi A. NEJM. 2010;362(4):320-8.

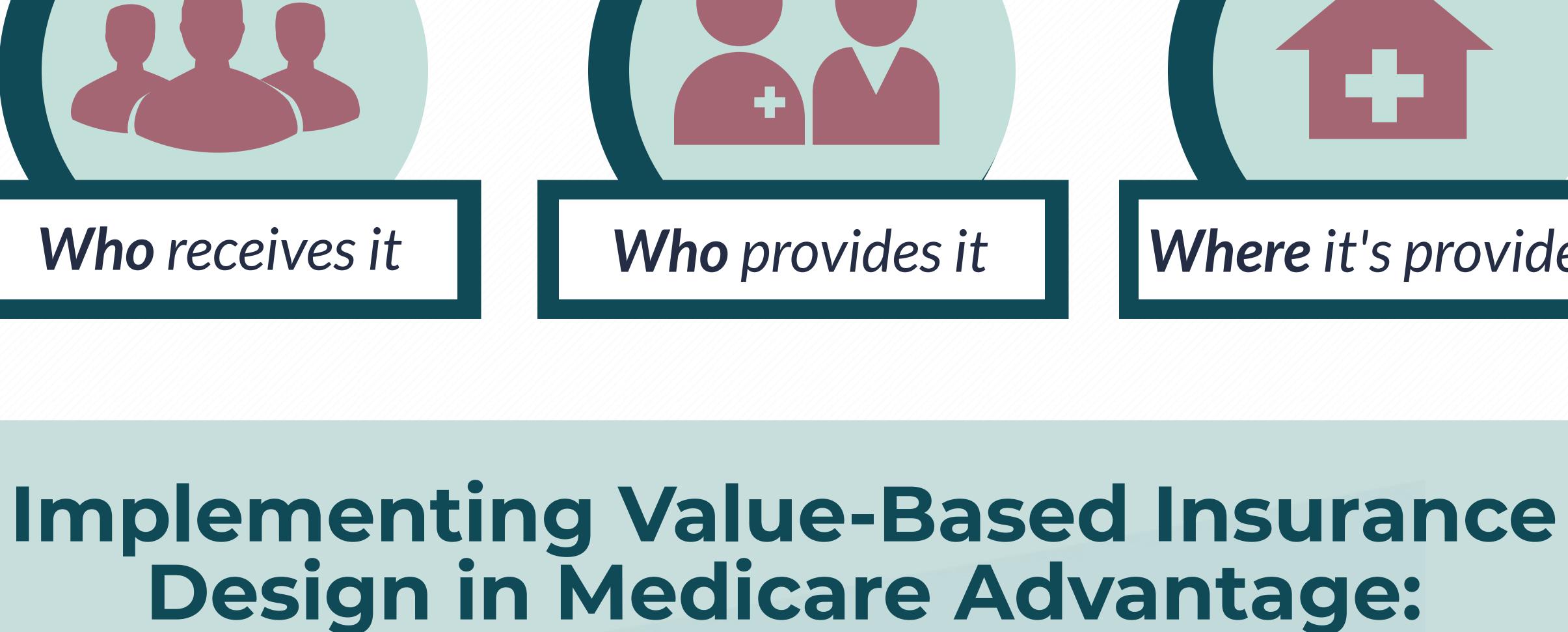


sharing compared to those with full coverage Trivedi A. NEJM. 2008;358:375-383 A Potential Solution

Clinically-Nuanced Cost Sharing Clinical Nuance states that a service differs in

clinical benefit produced, depending on







Base consumer cost sharing on clinical benefit for specific

Reduce or eliminate financial barriers to high-value clinical services and providers

services in select populations



Options for Implementation

Increase

adherence and

reduce health

disparities

submitted in plan benefit package as part of bid CMS reinterpretation of uniformity policy Does not apply to Medicare Part D plans in 2019 final rule and HPMS guidance

2021 Medicare Part D

Increased Plan Flexibility

CMS model testing changes to Manufacturer Coverage Gap Discount Program

Senior Savings Model

Enables Part D & Medicare Advantage plans to cap 30-day insulin copays at \$35 Saves participants an average of \$446 per year in out-of pocket costs

Available in all 50 states

Voluntary model for beneficiaries nationwide

Applies to ALL Medicare Advantage Plans

No "application" required; V-BID benefits

Benefits must relate to clinical condition

Demonstration by CMMI with waiver of the uniformity rule for participants only

MA V-BID Model Test

a more targeted fashion

CMS announced transformative updates to the model test: V-BID 2.0

Strict participation & application criteria

V-BID benefits for MA Parts C and D

Increase access to new interventions like telehealth services, and wellness and healthcare planning **Expand eligibility to include Dual Eligible SNPs, Institutional SNPs, and Regional PPOs**

Broaden rewards programs that improve beneficiaries' health Include the Medicare hospice benefit in their Part A benefit packages

V-BID 2.0 allows model test

MA plans to...

Provide reduced cost-sharing and supplemental benefits in

V-BID in MA: Who Benefits?



medication

adherence





Aligns with Improves efficiency provider incentives of health care spending

Insurance Design