SCHOOL OF PUBLIC HEALTH
CENTER FOR VALUE-BASED INSURANCE DESIGN
UNIVERSITY OF MICHIGAN

Translating Research into Policy: Value-Based Insurance Design

Aligning Patient and Provider Incentives to Increase Use of High value Care, Enhance Equity, and Eliminate Low Value Services

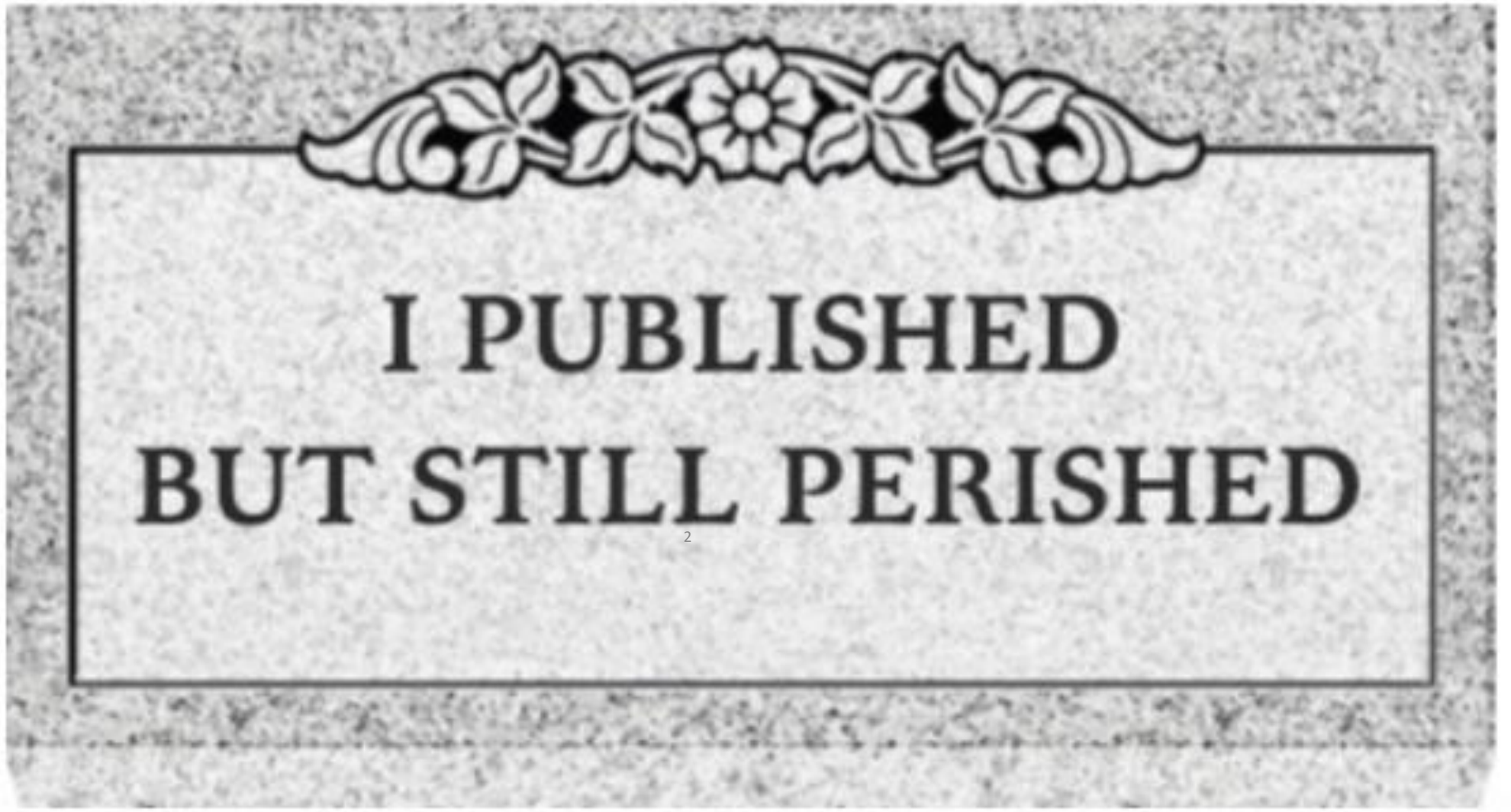
A. Mark Fendrick, MD

University of Michigan Center for Value-Based Insurance Design

www.vbidcenter.org

National Clinician Scholars Program

V-BID


I PUBLISHED
BUT STILL PERISHED

THE ISLAND OF MISFIT TOYS™

Health Care Costs Are a Top Issue For Purchasers and Policymakers: Solutions must protect consumers, reward providers and preserve innovation

- Innovations to prevent and treat disease have led to impressive reductions in morbidity and mortality
- Irrespective of remarkable clinical advances, cutting health care spending is the main focus of reform discussions
- Underutilization of high-value care persists across the entire spectrum of clinical care leading to poor health outcomes
- Our ability to deliver high-quality health care lags behind the rapid pace of scientific innovation

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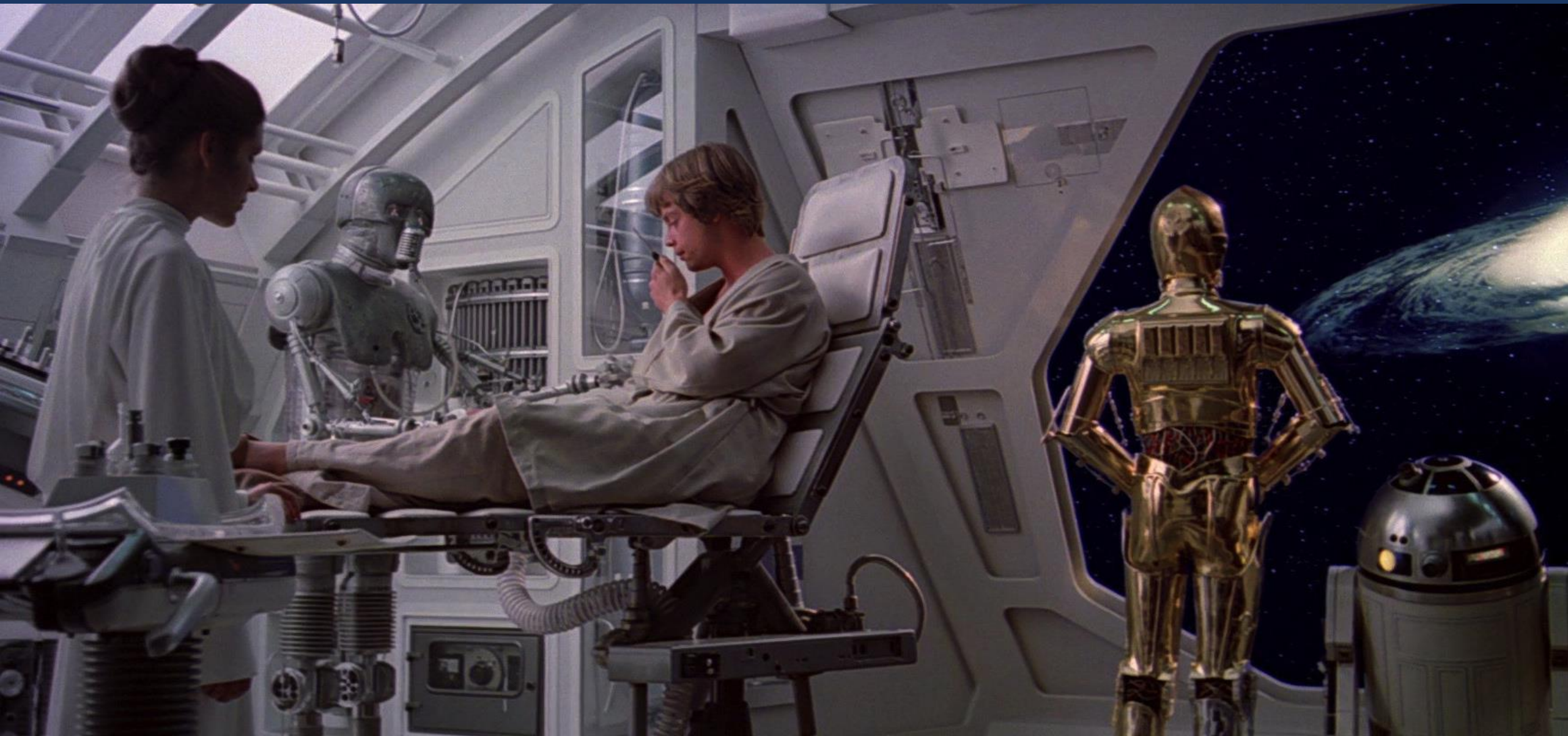
Volume 12, Issue 1 January 1996, pp. 1-8

The Tension Between Cost Containment and the Underutilization of Effective Health Services

Bernard S. Bloom [a1] and A. Mark Fendrick [a2]

Star Wars Science



Flintstones Delivery

Moving from the Stone Age to the Space Age:
Change the health care cost discussion from “How much” to “How well”

- Everyone (almost) agrees there is enough money in the US health care system; we just spend it on the wrong services and in the wrong places
- Moving from a volume-driven to value-based system requires a change in both how we pay for care and how we engage consumers to seek care
- The most common patient-facing strategy - consumer cost-sharing – is a ‘blunt’ instrument, in that patients pay more out of pocket for ALL care regardless of clinical value

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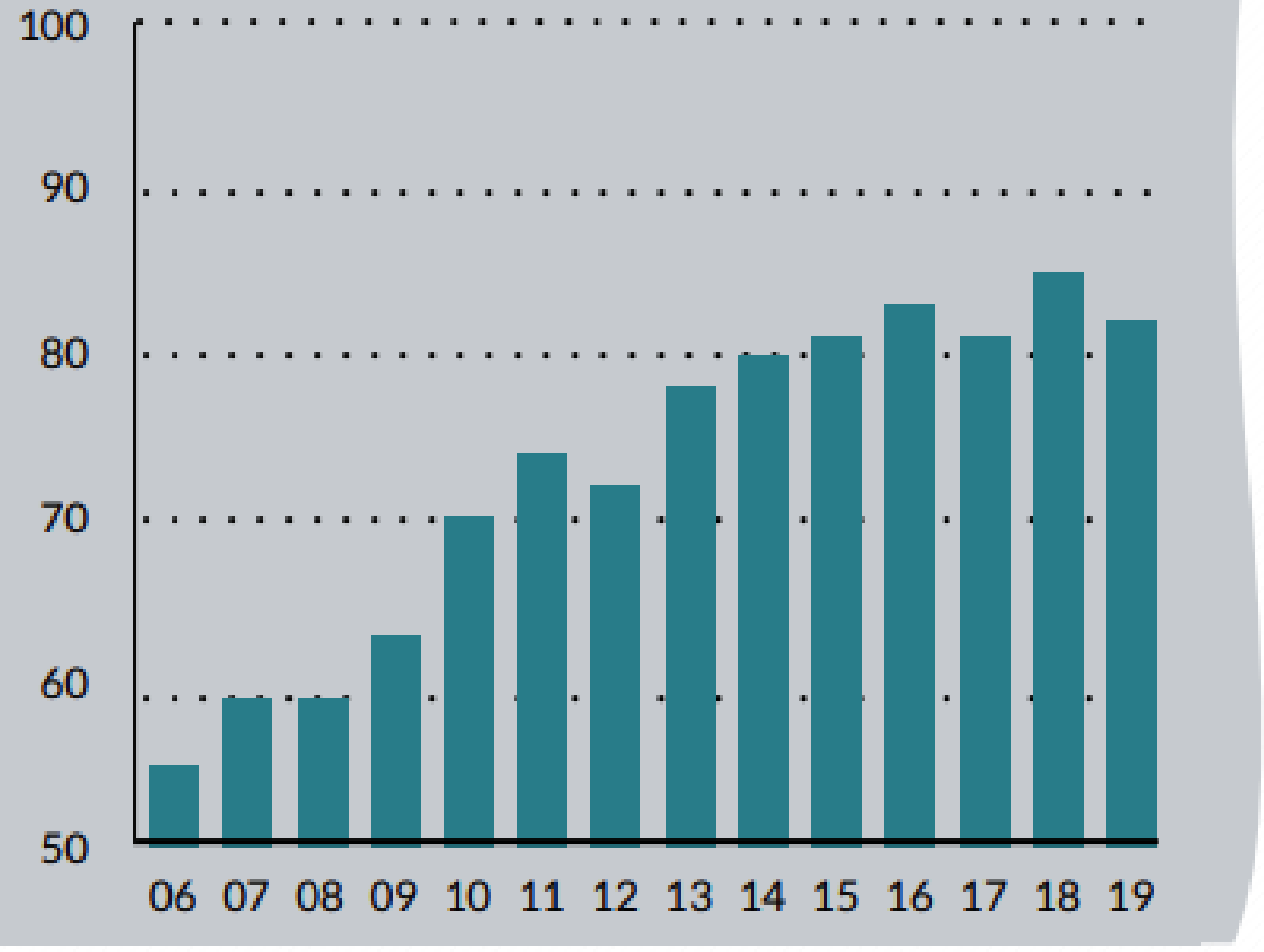
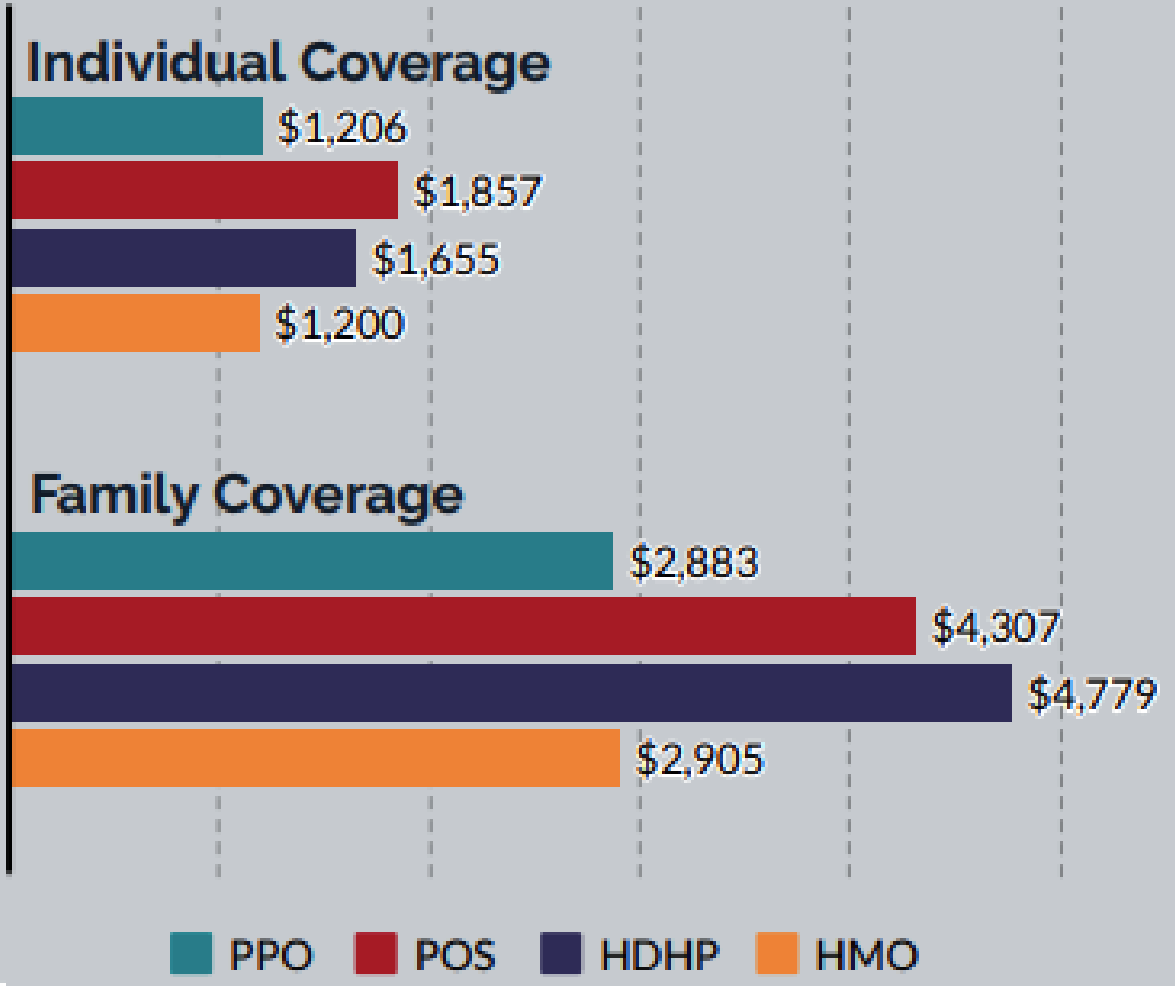
Americans Do Not Care About Health Care Costs; They Care About What It Costs Them

Percent of Americans With a Deductible



Average Deductible by Plan Type in 2019



Americans Do Not Care About Health Care Costs; They Care About What It Costs Them

The New York Times

What's Wrong With Health Insurance? Deductibles Are Ridiculous, for Starters.

July 7, 2022

U.S. Adults' Ability to Afford Healthcare at a Five-Year Low

An estimated 2.8 million more Americans reported inability to afford healthcare in 2025 compared with 2024

Healthcare costs are the leading causes of:

- Personal debt
  - 30 million Americans borrowed an estimated $74B in 2024
- On-line fundraisers
- Personal bankruptcy

Inspiration (Still)

> I can’t believe you had to spend a million dollars to show that if you make people pay more for something, they will buy less of it.

- Barbara Fendrick (my mother, 1934-2024)

“Blunt” Cost-Sharing Worsens Health Care Disparities

Effects of Increased Patient Cost Sharing on Socioeconomic Disparities in Health Care

Michael Chernew, PhD[1] Teresa B. Gibson, PhD[2] Kristina Yu-Isenberg, PhD, RPh[3]
Michael C. Sokol, MD, MS[4] Allison B. Rosen, MD, ScD[5], and A. Mark Fendrick, MD[5]

Cost-sharing worsens disparities and adversely affect health, particularly among economically vulnerable individuals and those with chronic conditions

Chernew M. *J Gen Intern Med* 23(8):1131–6.

Alternative to "Blunt" Consumer Cost-Sharing: A Clinically Nuanced Approach

A "smarter" cost-sharing approach that encourages consumers to use more high value services and providers, but discourages the use of low value ones

A Clinically Nuanced Alternative to "Blunt" Consumer Cost-sharing: Value-Based Insurance Design - More of the Good Stuff and Less of the Bad Stuff

- Sets consumer cost-sharing on clinical benefit – not price
- Little or no out-of-pocket cost for high-value care; higher cost-sharing for low-value care
- Implemented by hundreds of public and private payers
- Bipartisan political support
- Improves health outcomes
- Enhances equity

February 9, 2024

Acute Diabetes Complications After Transition to a Value-Based Medication Benefit

J. Franklin Wharam, MD, MPH[1,2,3]; Stephanie Argetsinger, MS, MPH[3]; Matthew Lakoma, MPH[3]; Fang Zhang, PhD[3]; Dennis Ross-Degnan, ScD[3]

By Niteesh K. Choudhry, Katsiaryna Bykov, William H. Shrank, Michele Toscano, Wayne S. Rawlins, Lonny Reisman, Troyen A. Brennan, and Jessica M. Franklin

Eliminating Medication Copayments Reduces Disparities In Cardiovascular Care

V-BID:
Rare Bipartisan Political and Broad Multi-Stakeholder Support

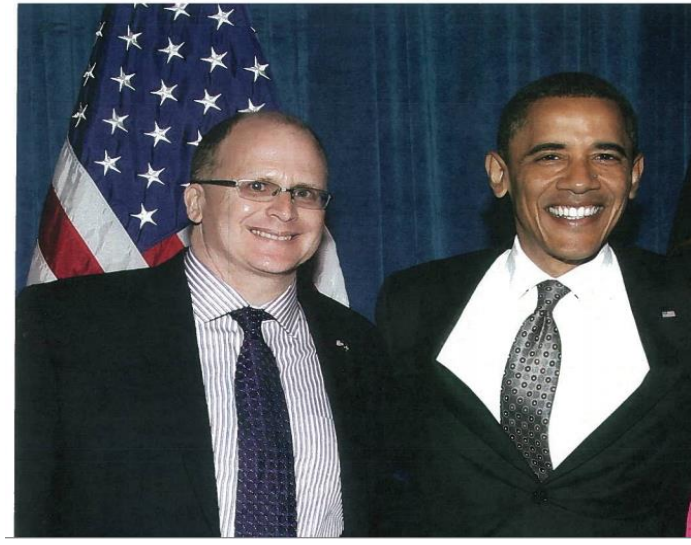
- HHS
- CBO
- SEIU
- MedPAC
- Brookings Institution
- Commonwealth Fund
- NBCH
- American Fed Teachers
- Families USA
- AHIP
- AARP
- DOD
- BCBSA
- National Governor's Assoc.
- US Chamber of Commerce
- Bipartisan Policy Center
- Kaiser Family Foundation
- American Benefits Council
- National Coalition on Health Care
- Urban Institute
- RWJF
- IOM
- Smarter Health Care Coalition
- PhRMA
- EBRI
- AMA

Putting Innovation into Action: Translating Research into Policy

THE PATIENT PROTECTION AND AFFORDABLE CARE ACT

ACA Sec 2713: Selected Preventive Services be Provided without Cost-Sharing

- Receiving an A or B rating from the United States Preventive Services Taskforce (USPSTF)
- Immunizations recommended by the Advisory Committee on Immunization Practices (ACIP)
- Preventive care and screenings supported by the Health Resources and Services Administration (HRSA)



ASPE | OFFICE OF HEALTH POLICY
ASSISTANT SECRETARY FOR PLANNING AND EVALUATION

ISSUE BRIEF

January 11, 2022

HP-2022-01

Access to Preventive Services without Cost-Sharing: Evidence from the Affordable Care Act

- Over 230 million Americans have enhanced access to preventive services
  - 150 million with private insurance – including 58 M women and 37 M children
  - 61 million Medicare beneficiaries
  - Approximately 20 million Medicaid adult expansion enrollees
- A majority of studies showed increases in use of fully covered services
- Studies that included socioeconomic status reported more substantial increases in utilization of preventive services in financially vulnerable patients, suggesting that the policy reduced disparities in the delivery of preventive care

ACA Sec 2713: Selected Preventive Services be Provided without Cost-Sharing

- Receiving an A or B rating from the United States Preventive Services Taskforce (USPSTF)
- Immunizations recommended by the Advisory Committee on Immunization Practices (ACIP)
- Preventive care and screenings supported by the Health Resources and Services Administration (HRSA)

By amending Sec 2713, the CARES Act of 2020 mandated COVID-19 testing and vaccines to be provided without patient cost-sharing

The NEW ENGLAND JOURNAL of MEDICINE

CURRENT I

PERSPECTIVE

Preventive Care at the Supreme Court

Author: Nicholas Bagley, J.D. Author Info & Affiliations

Published July 23, 2025 | DOI: 10.1056/NEJMp2506684 |

- Supreme Court upholds the ACA preventive care mandate
- HHS secretary can exercise control over the task force

Primary Care > Preventive Care

RFK Jr. Reportedly Planning to Fire All USPSTF Members

Clinical Scholars have contributed to policy discussions on the implications of the *Kennedy v Braidwood* Supreme Court decision

Annals of Thoracic Surgery

The Consequences of the *Kennedy v Braidwood* Ruling on Thoracic Surgeons and Their Patients

Nicole M. Mott, MD, MSCR [1,2,3,4] · Robert A. Meguid, MD, MPH [3] · A. Mark Fendrick, MD [4]

Journal of the American Geriatrics Society

The Consequences of the *Kennedy v. Braidwood* Supreme Court Ruling on Fall Prevention

Geoffrey Hoffman, A. Mark Fendrick

American Journal of Preventive Medicine

What Does *Kennedy v Braidwood* Mean for Weight Management Preventive Services?

Nina E. Hill, A. Mark Fendrick

CANCER SCREENING

Screening is a process, not a single test; it is only complete when all follow-up procedures are performed

JAMA Network Open™

Research Letter | Gastroenterology and Hepatology

Out-of-Pocket Costs for Colonoscopy After Noninvasive Colorectal Cancer Screening Among US Adults With Commercial and Medicare Insurance

A. Mark Fendrick, MD; Nicole Princic, MS; Lesley-Ann Miller-Wilson, PhD; Kathleen Wilson, MPH; Paul Limburg, MD

Even when faced with no costs for *initial* CRC screening tests, non-trivial out-of-pocket costs for follow-up colonoscopy were incurred by nearly half of commercially insured U.S. patients and > 75% of those covered by Medicare

JAMA Network Open. 2021;4(12):e2136798. doi:10.1001/jamanetworkopen.2021.36798

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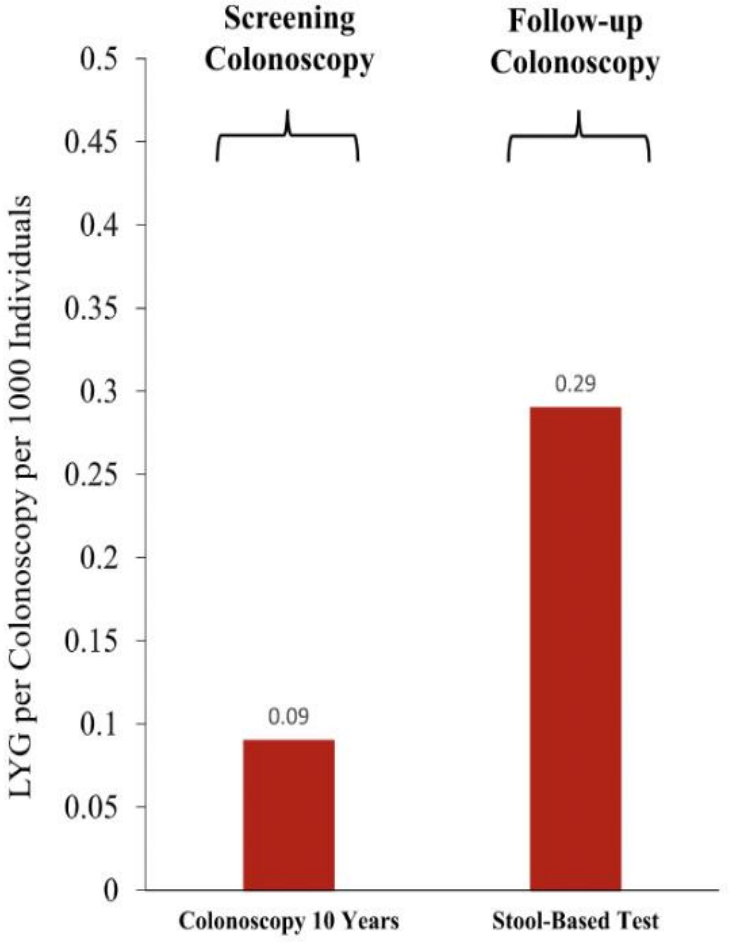
Modeling Follow-up Colonoscopy Compared to Screening Colonoscopy: Better clinical outcomes, more colonoscopy revenue and lower CRC costs

Contents lists available at ScienceDirect

Preventive Medicine Reports

journal homepage: www.elsevier.com/locate/pmedr

- Compared to when colonoscopy is used as the initial CRC screening test, follow-up colonoscopy after a positive non-invasive screening test prevents twice as many CRC deaths
- Follow-up colonoscopy generates significantly more revenue when compared to screening
- Lower total CRC costs due to prevention and early detection



	Colonoscopy 10 Years	Stool-Based Test
LYG	281.1	267.7
Colonoscopies	3,139	935
LYG/Colonoscopy	0.09	0.29

Preventive Medicine Reports. 2022 Apr;26, https://doi.org/10.1016/j.pmedr.2022.101701

Final Recommendation Statement

Colorectal Cancer: Screening

May 18, 2021

- 2021 USPSTF CRC screening recommendations provide legislative authority to cover follow-up colonoscopy without cost-sharing.

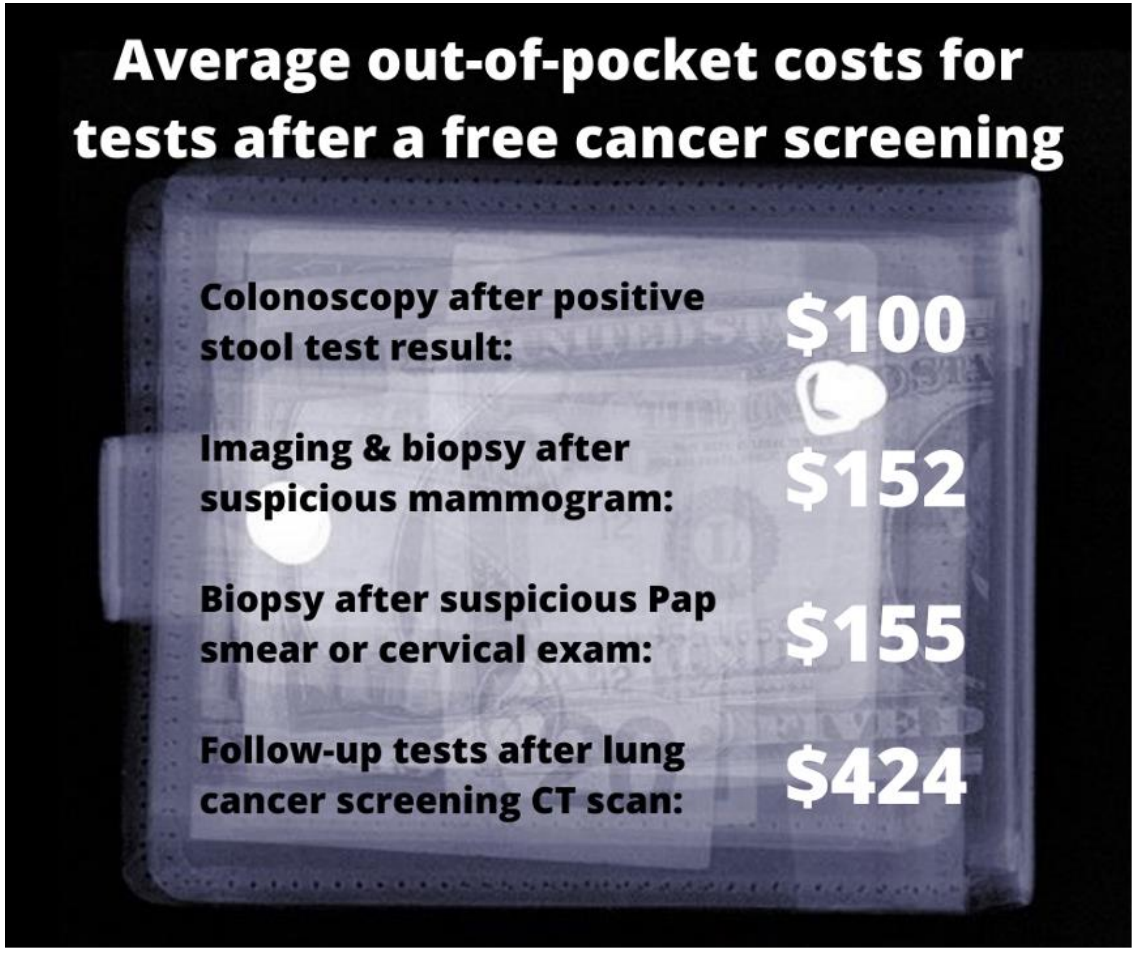
- "Positive results on stool-based screening tests require follow-up with colonoscopy for the screening benefits to be achieved."

https://www.uspreventiveservicestaskforce.org/uspstf/recommendation/colorectal-cancer-screening#:~:text=Adults%2045%20years%20and%20older,Recommended%20screening%20strategies%20include:

Your Free Cancer Screen Shows Trouble: What If You Can't Afford the Follow-Up?

New VBID Center research shows that out-of-pocket costs are common and non-trivial for necessary follow-up testing after initial, abnormal no-cost cancer screening test.

- Breast [1]
- Cervical [2]
- Colorectal [3]
- Lung [4]



- JAMA Network Open. 2021;4(8):e2121347
- Obstetrics & Gynecology. 2022;139(1): doi:10.1097/AOG.0000000000004582
- JAMA Network Open. 2021;4(12): doi:10.1001/jamanetworkopen.2021.36798
- JACR E-pub ahead of print. 2021.DOI:https://doi.org/10.1016/j.jacr.2021.09.015

Work by several Clinical Scholars has contributed to policy discussions aimed to improve coverage of the entire cancer screening process

Redefining Cancer Screening Coverage—Screening to Diagnosis

Crystal D. Taylor, MD, MPH, MS[1]; A. Mark Fendrick, MD[2]; Lesly A. Dossett, MD, MPH[1]

The Cost to Breathe: Eliminating Cost Sharing Associated with Lung Cancer Screening

J'undra N. Pegues[1,5], Erin E. Isenberg[2,4,6], and A. Mark Fendrick[3]

Eliminating Consumer Cost-Sharing for the Entire Prostate Cancer Screening Pathway

A. Mark Fendrick

Arnav Srivastava and A. Mark Fendrick

Coverage for the Entire Cervical Cancer Screening Process Without Cost-Sharing: Lessons From Colorectal Cancer Screening

Allison Ruff, MD, MPHE[a,*], Diane M. Harper, MD, MPH, MS[b,c,d], Vanessa Dalton, MD[c], A. Mark Fendrick, MD, MPH[a]

FAQS ABOUT AFFORDABLE CARE ACT IMPLEMENTATION PART 51, FAMILIES FIRST CORONAVIRUS RESPONSE ACT AND CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT IMPLEMENTATION

January 10, 2022

Q7: Are plans and issuers required to cover, without the imposition of any cost sharing, a follow-up colonoscopy conducted after a positive non-invasive stool-based screening test or direct visualization test (e.g., sigmoidoscopy, CT colonography)?

Yes. A plan or issuer must cover and may not impose cost sharing with respect to a colonoscopy conducted after a positive non-invasive stool-based screening test or direct visualization screening test for colorectal cancer for individuals described in the USPSTF recommendation. As stated in the May 18, 2021 USPSTF recommendation, the follow-up colonoscopy is an integral part of the preventive screening without which the screening would not be complete.[31] The follow-up colonoscopy after a positive non-invasive stool-based screening test or direct visualization screening test is therefore required to be covered without cost sharing in accordance with the requirements of PHS Act section 2713 and its implementing regulations.

CMS proposes follow-up colonoscopy after at-home test be considered preventive service

Riz Hatton - Friday, July 8th, 2022

Colorectal Cancer Screening

For CY 2023, we are proposing two updates to expand our Medicare coverage policies for colorectal cancer screening in order to align with recent United States Preventive Services Task Force and professional society recommendations. First, we are proposing to expand Medicare coverage for certain colorectal cancer screening tests by reducing the minimum age payment limitation to 45 years. Second, we are proposing to expand the regulatory definition of colorectal cancer screening tests to include a follow-on screening colonoscopy after a Medicare covered non-invasive stool-based colorectal cancer screening test returns a positive result. Both of these proposals reflect our desire to expand access to quality care and to improve health outcomes for patients through prevention and early detection services, as well as through effective treatments.

From Breast Cancer Screening to Diagnosis

New Recommendations for Expanded Coverage and Patient Navigation

Table. Recommendations for Breast Cancer Screening and Patient Navigation for Breast and Cervical Cancer Screening[a]

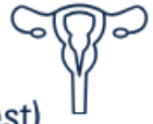
Recommendation	Eligibility	Prevention services included
Breast cancer screening	Women at average risk of breast cancer who are 40 years and older[b]	Annual or biennial mammography screening beginning no earlier than age 40 years and no later than age 50 years, and continuing through at least age 74 years; age alone should not be the basis for discontinuing screening
		Additional imaging (eg, magnetic resonance imaging, ultrasonography, mammography) and pathology evaluation when needed to complete the screening process or address findings on the initial screening mammography
Patient navigation services for breast and cervical cancer screening and follow-up	Patients eligible for breast or cervical cancer screening and needing assistance accessing screening and follow-up services	Individualized navigation services based on assessment of the patient's needs and involving person-to-person contact with the patient can include person-centered assessment and planning, health care access and health system navigation, referrals to appropriate support services (eg, language translation, transportation, social services), and patient education

Now approved by the Health Resources & Services Administration, these services will be covered without co-pay or deductible charges for most women under the prevention services no-cost coverage requirements of the Patient Protection and Affordable Care Act beginning in 2026.

JAMA Internal Medicine

Cancer screening services:

What's covered at no cost to the patient?

Screening covered for eligible individuals	Follow-up diagnostic services	Screening navigation services
Colorectal cancer (e.g. stool test or colonoscopy) 	**Colonoscopy after non-invasive test** (as of 2023)	Not included in no-cost coverage
Breast cancer (Screening mammography) 	**Mammography, MRI, ultrasound, or biopsy** (as of 2026)	**Personal assessment, education, referrals to services** (as of 2026)
Cervical cancer (Pap test +/- HPV test, or self-collected HPV test) 	**Additional testing needed to complete screening** (as of 2027)	**Personal assessment, education, referrals to services** (as of 2026)
Lung cancer (Low-dose CT) 	Not included in no-cost coverage	Not included in no-cost coverage

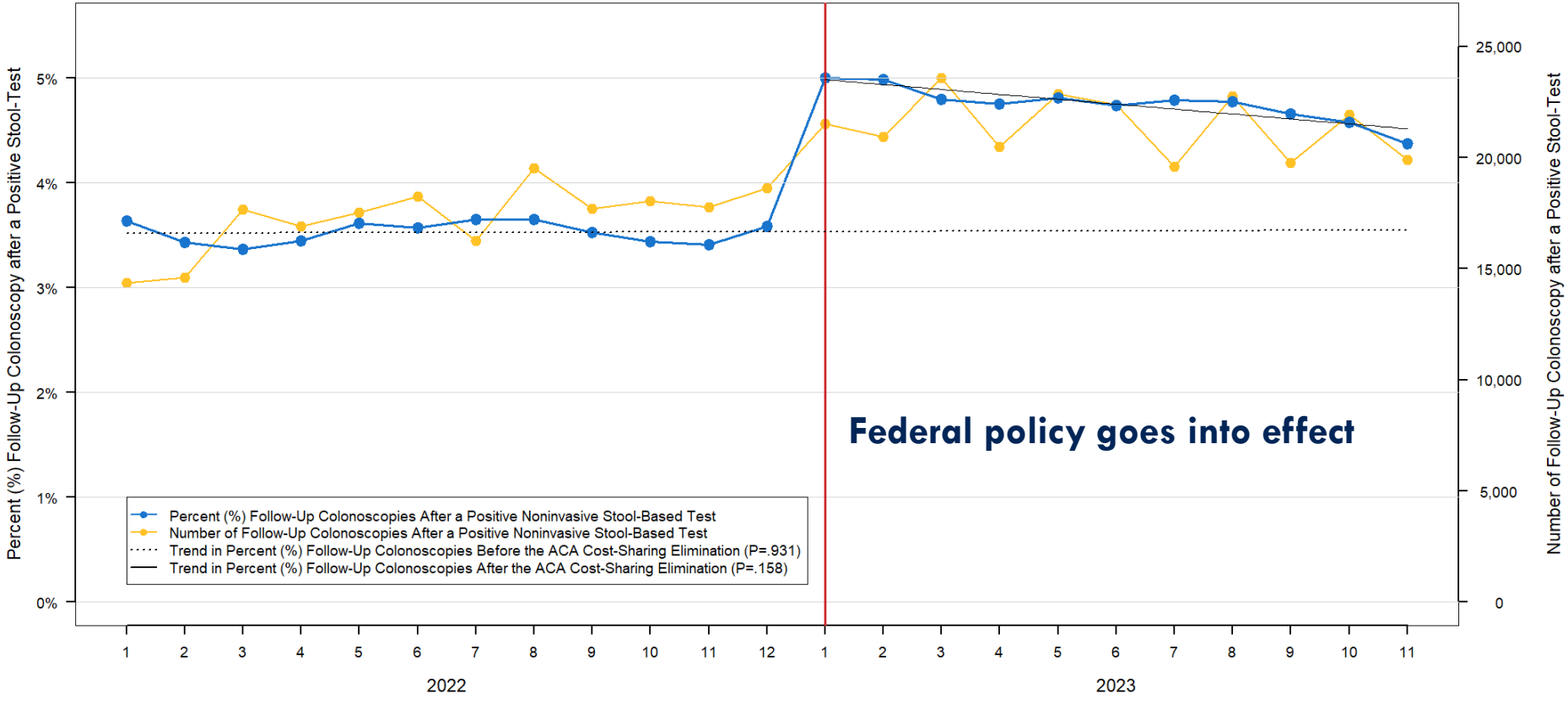
As of Winter 2026 - Michigan Medicine/University of Michigan VBID Center

RESEARCH ARTICLE

OPEN ACCESS Check for updates

Completing the colorectal cancer screening process: impact of eliminating cost-sharing for follow-up colonoscopy

If you make people pay less for something, they will buy more of it



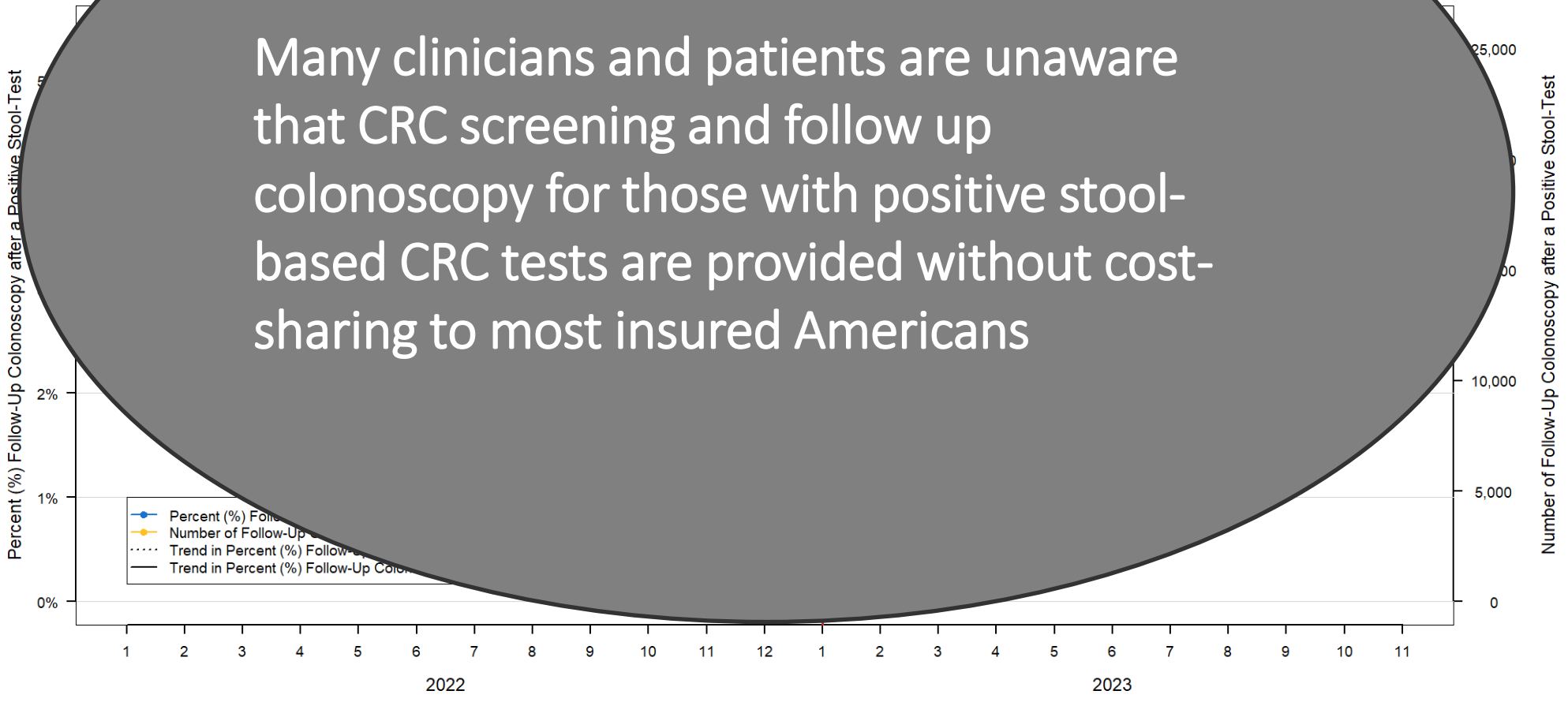
Current Medical Research and Opinion. 2025 Oct:1-8. https://doi.org/10.1080/03007995.2025.2577763.

RESEARCH ARTICLE

OPEN ACCESS Check for updates

Completing the colorectal cancer screening process: impact of eliminating cost-sharing for foll

If you more of it



Many clinicians and patients are unaware that CRC screening and follow up colonoscopy for those with positive stool-based CRC tests are provided without cost-sharing to most insured Americans

Current Medical Research and Opinion. 2025 Oct:1-8. https://doi.org/10.1080/03007995.2025.2577763.

U.S. National Commission for Quality Assurance implementing new cancer screening quality measure that includes follow-up after abnormal initial tests

Aligning the Stars: Quality Metrics Must Evolve From Screening Rates to Diagnostic Resolution

Diana S. M. Buist, PhD, MPH; Robert A. Smith, PhD; and A. Mark Fendrick, MD

Proposed New Measure for HEDIS®[1] MY 2027:
Follow-Up After Positive Colorectal Cancer Non-Invasive Screening Test (COF-E)

Assesses the percentage of persons 45-85 years of age who received a colonoscopy for a positive colorectal cancer non-invasive screening test within 180 days of a positive stool-based test

https://doi.org/10.37765/ajmc.2026.89931
https://wpcdn.ncqa.org/www-prod/wp-content/uploads/02.-COF-E.pdf

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V-BID Policies Implemented During the First Trump Administration: Considerations for the Second Trump Administration

- Medicare
- High Deductible Health Plan Reform
- VBID-X

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DEPARTMENT OF HEALTH & HUMAN SERVICES • USA
Medicare

High Out of Pocket Costs are Common and Impactful For Medicare Beneficiaries

- One-third of Medicare beneficiaries said it was somewhat or very difficult to afford health care costs, including half of people under age 65
- More than one in four Medicare beneficiaries said health care costs made it harder for them to afford food and utility bills in the past 12 months
- More than one in five Medicare beneficiaries said they or a family member delayed or skipped needed care because of the cost in the past 12 months

Inflation Reduction Act of 2022 Includes Several V-BID Elements

- Caps Medicare patients' out-of-pocket costs at $2,000 per year, with the option to break that amount into affordable monthly payments (begins in January 2025)
- Covers adult vaccines recommended by the Advisory Committee on Immunization Practices under Medicare Part D without cost-sharing (implemented 2023)
- Caps Medicare patients' out-of-pocket costs for insulin at $35 per month (implemented 2023)

Inflation Reduction Act of 2022 Includes Several V-BID Elements

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Press Releases May 26, 2020

President Trump Announces Lower Out of Pocket Insulin Costs for Medicare's Seniors

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Impact of V-BID Elements of the Inflation Reduction Act of 2022

If you make people pay less for something, they will buy more of it

July 24, 2023

Insulin Fills by Medicare Enrollees and Out-of-Pocket Caps Under the Inflation Reduction Act

Rebecca Myerson, MPH, PhD[1]; Dima M. Qato, PharmD, MPH, PhD[2]; Dana P. Goldman, PhD[3]; John A. Romley, PhD[3]

"The IRA cap on cost-sharing was associated with increases in the total number of insulin fills for Medicare enrollees."

Research Letter | Health and the 2024 US Election

May 23, 2024

Shingles Vaccination in Medicare Part D After Inflation Reduction Act Elimination of Cost Sharing

Dima M. Qato, PharmD, MPH, PhD[1,2]; John A. Romley, PhD[2,3]; Rebecca Myerson, MPH, PhD[2,4]; et al

"Following IRA implementation, Part D shingles vaccinations increased by 46%."

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OFFICE OF HEALTH POLICY

RESEARCH REPORT
July 7, 2023

HP-2023-19

—Inflation Reduction Act Research Series—
Medicare Part D Enrollee Out-Of-Pocket Spending: Recent Trends and Projected Impacts of the Inflation Reduction Act

The Inflation Reduction Act's redesign of Medicare Part D will reduce enrollee out-of-pocket spending by about $7.4 billion annually among more than 18.7 million enrollees (36 percent of Part D enrollees) in 2025 — nearly $400 per person among enrollees who have savings in out-of-pocket costs under the IRA.

HSA-HDHP Reform

PREVENTIVE CARE COVERED

Dollar one

CHRONIC DISEASE CARE

NOT covered until deductible is met

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FORTUNE

COMMENTARY · MEDICAL COSTS

If you have insurance, you shouldn't be paying full price for insulin

BY MARK FENDRICK AND DAVID A. RICKS

January 29, 2020 at 4:06 PM EST

U.S. DEPARTMENT OF THE TREASURY

PRESS RELEASES

Treasury Expands Health Savings Account Benefits for Individuals Suffering from Chronic Conditions

List of Services and Drugs for Certain Chronic Conditions Classified as Preventive Care Under Notice 2019-45

Preventive Care for Specified Conditions	For Individuals Diagnosed with
Angiotensin Converting Enzyme (ACE) inhibitors	Congestive heart failure, diabetes, and/or coronary artery disease
Anti-resorptive therapy	Osteoporosis and/or osteopenia
Beta-blockers	Congestive heart failure and/or coronary artery disease
Blood pressure monitor	Hypertension
Inhaled corticosteroids	Asthma
Insulin and other glucose lowering agents	Diabetes
Retinopathy screening	Diabetes
Peak flow meter	Asthma
Glucometer	Diabetes
Hemoglobin A1c testing	Diabetes
International Normalized Ratio (INR) testing	Liver disease and/or bleeding disorders
Low-density Lipoprotein (LDL) testing	Heart disease
Selective Serotonin Reuptake Inhibitors (SSRIs)	Depression
Statins	Heart disease and/or diabetes

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Three Quarters of Employers Expanded Coverage of Chronic Disease Services Allowed Under IRS Rule 2019-45, Enhancing Access for Millions of Enrollees

New Research Finds That Expanding Pre-Deductible Coverage in Health Savings Account–Eligible Health Plans Increased Patient Compliance with Medication Regimens

SOURCE: Fronstin, Paul, and A. Mark Fendrick, "Employer Uptake of Pre-Deductible Coverage for Preventive Services in HSA-Eligible Health Plans," EBRI Issue Brief, no. 542 (October 14, 2021).

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Internal Revenue Service Notice 2024-75: Expands the list of preventive care benefits permitted to be provided by a high deductible health plan

- Oral Contraceptives; including OTC
- Male Condoms
- Breast Cancer Screening
- Continuous Glucose Monitors

Chronic Disease Management Act of 2023: Expands Services and Drugs for Chronic Conditions Classified as Preventive Care

117TH CONGRESS
1ST SESSION

S. 1424

To amend the Internal Revenue Code of 1986 to permit high deductible health plans to provide chronic disease prevention services to plan enrollees prior to satisfying their plan deductible.

IN THE SENATE OF THE UNITED STATES

APRIL 28, 2021

Mr. THUNE (for himself and Mr. CARPER) introduced the following bill; which was read twice and referred to the Committee on Finance

---

A BILL

To amend the Internal Revenue Code of 1986 to permit high deductible health plans to provide chronic disease prevention services to plan enrollees prior to satisfying their plan deductible.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

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One Big Beautiful Bill Act (OBBBA) introduces changes to HSA-HDHPs, effective January 1, 2026

- Permanently allowing telehealth to be covered without disqualifying an HSA,
- Expanding HSA eligibility to include individuals with Bronze and Catastrophic ACA plans,
- Direct Primary Care (DPC) arrangements no longer prevent HSA contributions, provided their cost is within certain limits

If You Buy More Things that Don’t Save Money, You Won’t Save Money”
How do We Pay for More Generous Coverage of High Value Care?

V-BID

How do We Pay for More Generous Coverage of High Value Care?

- Approaches to reduce medical spending:
- Decrease eligibility 😟
- Increase premiums 😟
- Raise deductibles and copayments – 'tax on the sick' 😟
- Utilization management 😟
- Reduce spending on low value care

All cost-saving options - except for low value care - lead to negative clinical outcomes

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ACA Sec 4105:
Selected No-Value Preventive Services Shall Not Be Paid For

SEC. 4105. EVIDENCE-BASED COVERAGE OF PREVENTIVE SERVICES IN MEDICARE.

(a) AUTHORITY TO MODIFY OR ELIMINATE COVERAGE OF CERTAIN PREVENTIVE SERVICES.—Section 1834 of the Social Security Act (42 U.S.C. 1395m) is amended by adding at the end the following new subsection:

"(n) AUTHORITY TO MODIFY OR ELIMINATE COVERAGE OF CERTAIN PREVENTIVE SERVICES.—Notwithstanding any other provision of this title, effective beginning on January 1, 2010, if the Secretary determines appropriate, the Secretary may—

"(1) modify—

"(A) the coverage of any preventive service described in subparagraph (A) of section 1861(ddd)(3) to the extent that such modification is consistent with the recommendations of the United States Preventive Services Task Force; and

"(B) the services included in the initial preventive physical examination described in subparagraph (B) of such section; and

"(2) provide that no payment shall be made under this title for a preventive service described in subparagraph (A) of such section that has not received a grade of A, B, C, or I by such Task Force.".

(b) CONSTRUCTION.—Nothing in the amendment made by paragraph (1) shall be construed to affect the coverage of diagnostic or treatment services under title XVIII of the Social Security Act.

HHS granted authority to not pay for USPSTF 'D' Rated Services

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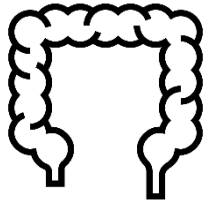
The Utilization and Costs of Grade D USPSTF Services in Medicare, 2007–2016

Carlos Irwin A. Oronce, MD, MPH[1,2], A. Mark Fendrick, MD[3], Joseph A. Ladapo, MD, PhD[4], Catherine Sarkisian, MD, MSPH[5,6], and John N. Mafi, MD, MPH[4,7]

The 7 most commonly ordered USPSTF D rated services are used over 30 million times a year at a cost to the Medicare program of over $500 Million annually

Prostate cancer screening ≥ 70 years

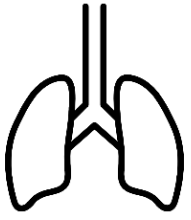
Cervical cancer screening > 65 years



Colon cancer screening >85 years

Cardiovascular screening in low risk patients

Asymptomatic bacteriuria screening



COPD screening

Vitamin D to prevent falls among older women

Research Letter

Projected Savings From Reducing Low-Value Services in Medicare

David D. Kim, PhD[1,2]; A. Mark Fendrick, MD[3,4]

Medicare could save $3.6B without risk to older adults, study suggests

Fewer low-value tests, scans and procedures could also save older adults $800M in out-of-pocket costs

August 1, 2025 11:00 AM

Author | Kara Gavin

How Do We Pay for More Generous Coverage of High Value Care?

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CMS Launches WiSeR Model to reduce wasteful, low-value services

CMS.gov

WISeR (Wasteful and Inappropriate Service Reduction) Model

Examples of selected items and services include:

- skin and tissue substitutes;
- implantation of electrical nerve stimulators;
- knee arthroscopy for knee osteoarthritis

CMS Launches WiSeR Model to reduce wasteful, low-value services

News | **Articles** | May 20, 2026

Medicare WISeR prior authorizations needed Congress' prior authorization, lawmakers say

V-BID X:
Better Coverage, Same Premiums and Deductibles

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V-BID X: Expanding Coverage of Essential Clinical Care Without Increasing Premiums or Deductibles

Clinically driven plan designs, like *V-BID X*, reduce spending on low-value care

...creating headroom to reallocate spending to high-value services without increasing premiums or deductibles

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V-BID X: Creating A Value-Based Insurance Design Plan For The Exchange Market

Haley Richardson, Michael Budros, Michael E. Chernew, A. Mark Fendrick

JULY 15, 2019

10.1377/hblog20190714.437267

MAY 08, 2020 | MORE ON MEDICARE & MEDICAID

CMS promotes value-based insurance design in final payment notice for 2021

Much of CMS's framework—including a list of high-value services that insurers could cover with little no impact on premiums but better care incentives—comes from the University of Michigan's Center for Value-Based Insurance Design. The list includes a number of the same preventive care benefits that can be newly provided by a high-deductible health plan paired with a health savings account on a pre-deductible basis under Treasury guidance from July 2019.

High Value Generic Drug Classes with Zero Cost Sharing
ACE inhibitors and ARBs
Anti-depressants
Antipsychotics
Anti-resorptive therapy
Antiretrovirals
Antithrombotics/anticoagulants
Beta blockers
Buprenorphine-naloxone
Glucose lowering agents
Inhaled corticosteroids
Naloxone
Rheumatoid arthritis medications
Statins
Thyroid-related
Tobacco cessation treatments

High Value Branded Drug Classes with Reduced Cost Sharing
Anti-TNF (tumor necrosis factor)
Hepatitis C direct-acting combination
Pre-exposure prophylaxis for HIV (PrEP) [1]

Specific Low Value Services Considered
Proton beam therapy for prostate cancer
Spinal fusions
Vertebroplasty and kyphoplasty
Vitamin D testing

2027 ACA Marketplace proposed rule calls for role for V-BID in Catastrophic plans

- Multiyear catastrophic plans would be permitted to use value-based insurance designs to cover preventive services over and above those that currently must be covered under certain recommendations and guidelines before an enrollee satisfies the deductible or hits the out-of-pocked maximum

- Additionally, CMS proposes to change the permissible cost-sharing parameters for bronze plans and to update cost-sharing requirements for catastrophic plans, beginning in 2027

- Build on VBID-X?

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Enhancing Access and Affordability to Essential Clinical Services

- Keep watchful eye on future of the USPSTF, ACIP, HRSA
- Expand pre-deductible coverage/reduce consumer cost-sharing on high-value, essential chronic disease services
- Identify, measure and reduce low-value care to pay for more generous coverage of high-value care
- Implement clinically-driven plan payment reform, technologies and benefit designs (e.g., V-BID X) that increase use of high-value services and deter low value care

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“If we don’t succeed then we will fail.”

Dan Quayle

Thank you

Questions?

www.vbidcenter.org

@UM_VBID

National Clinician Scholars Program

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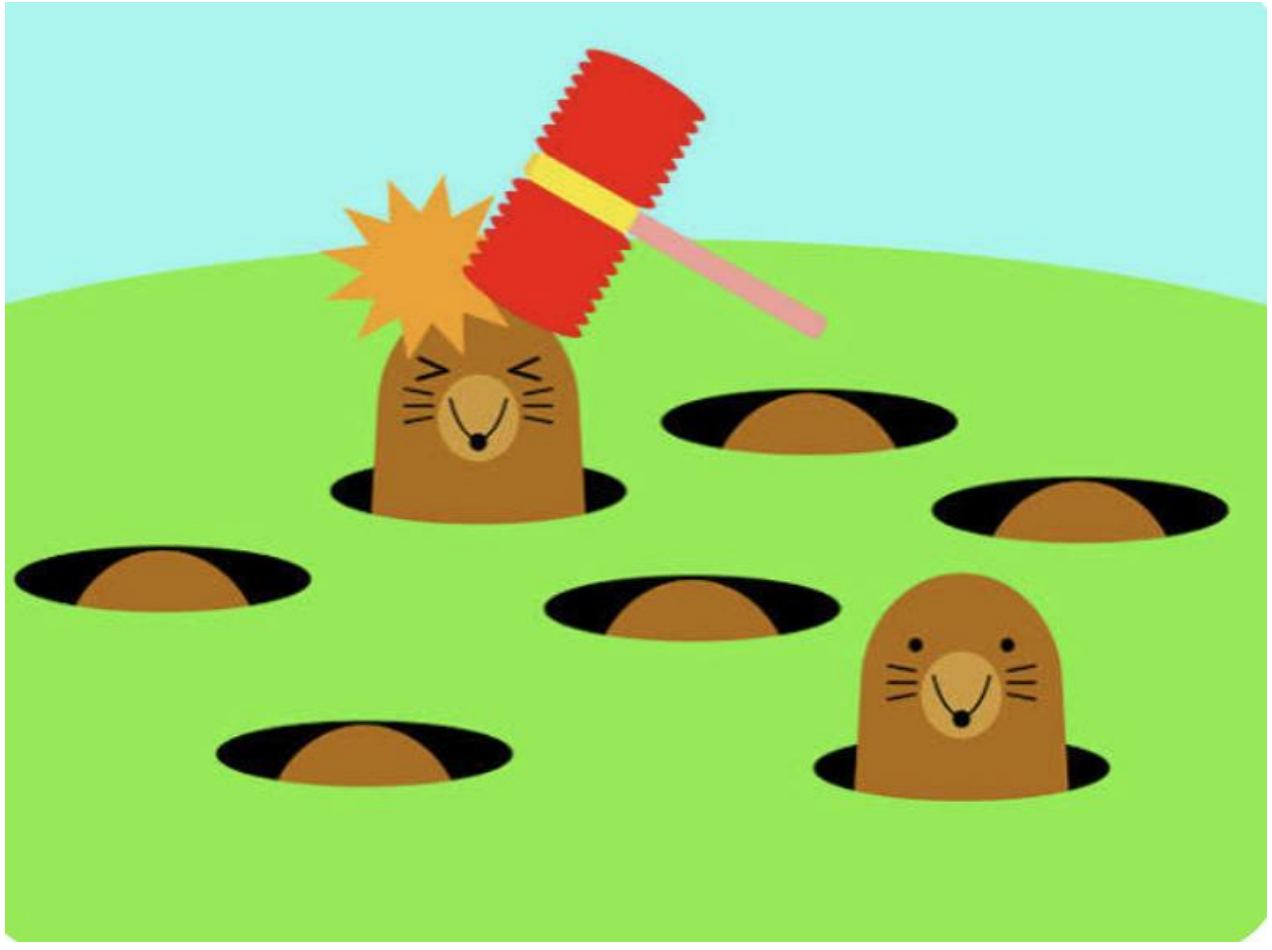
Case Study of Health Policy Whac-a-Mole
A 25 year (and Counting) Journey) to Increase Colorectal Cancer Screening



The Impact of a Celebrity Promotional Campaign on the Use of Colon Cancer Screening

The Katie Couric Effect

Peter Cram, MD, MBA; A. Mark Fendrick, MD; John Inadomi, MD; Mark E. Cowen, MD, SM; Daniel Carpenter, PhD; Sandeep Vijan, MD, MS

2000

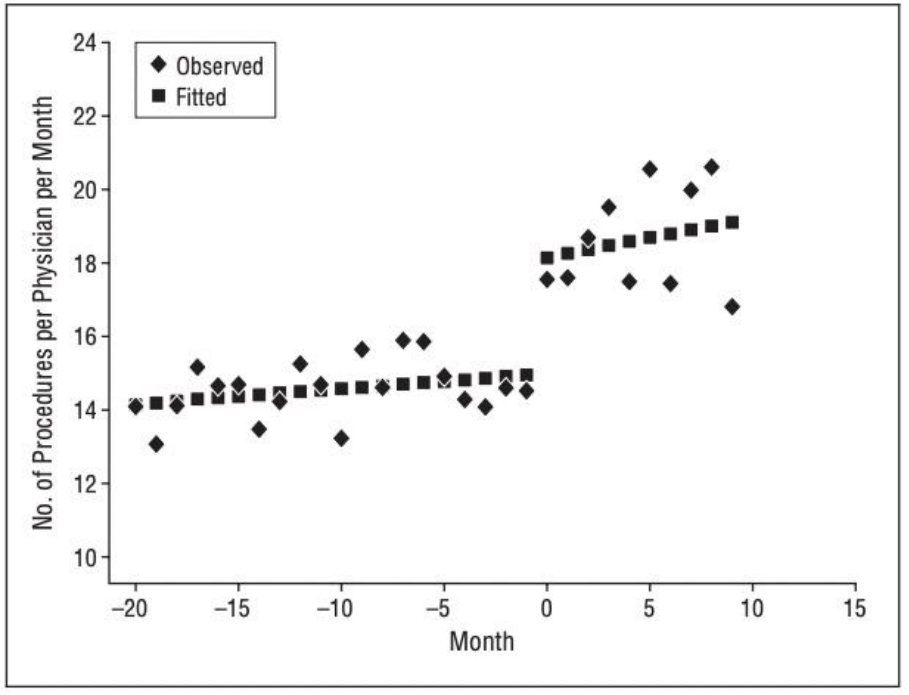


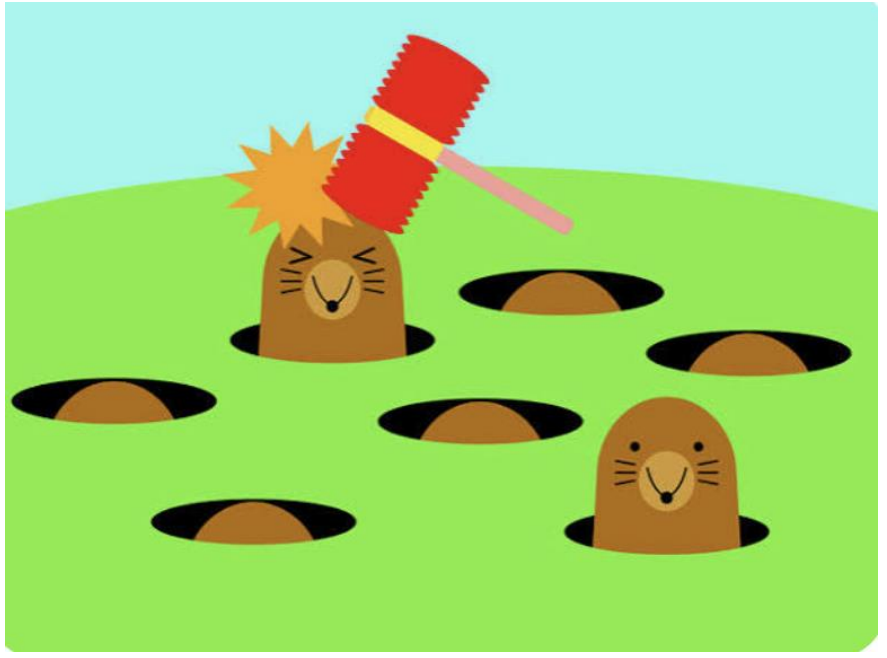
Figure 1. Monthly colonoscopy rates in the Clinical Outcomes Research Initiative database from July 1998 to December 2000. Ms Couric's cancer awareness campaign was televised on the *Today Show* in March 2000 (month 0).

2003

Case Study of Health Policy Whac-a-Mole
Optimizing Colorectal Cancer Screening

Policy Wins

- Eliminate Cost-Sharing for Initial Screening (ACA, 2010)
- Eliminate Cost Sharing for Follow-up Colonoscopy (2023)



Policy ‘To Dos”

- Educate Eligible Individuals
- Develop and Cover Navigation
- Optimize Colonoscopy Capacity
- Increase Reimbursement for for Follow-up Colonoscopy

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Case Study of Health Policy Whac-a-Mole
Optimizing Colorectal Cancer Screening

Navigation and Clinician Payment Investments Enhance Colorectal Cancer Screening Benefits

Portia J. Zaire, PhD, RN; A. Mark Fendrick, MD; Jacob E. Kurlander, MD, MS; and Archana Radhakrishnan, MD, MHS

"Expanding navigation programs and incentivizing follow-up colonoscopies would increase screening rates, reduce disparities, and achieve population health gains. These investments represent a rare opportunity to align stakeholder interests, prevent CRC deaths, and advance health equity."

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Case Study of Health Policy Whac-a-Mole
Optimizing Colonoscopy Capacity

Gastro Hep Advances 2026;5:100930

ORIGINAL RESEARCH—CLINICAL

Optimizing Colonoscopy Capacity to Maximize Colorectal Cancer Outcomes

A. Mark Fendrick,[1] Jacob E. Kurlander,[1,2,3] Vahab Vahdat,[4] Chris Estes,[4] Shrey Gohil,[4] Paul J. Limburg,[4] and David A. Lieberman[5]

Substituting some screening colonoscopies with follow-up procedures – while maintaining full capacity –with a shift to more stool-based CRC testing, could:

doi.org/10.1016/j.gastha.2026.100930.

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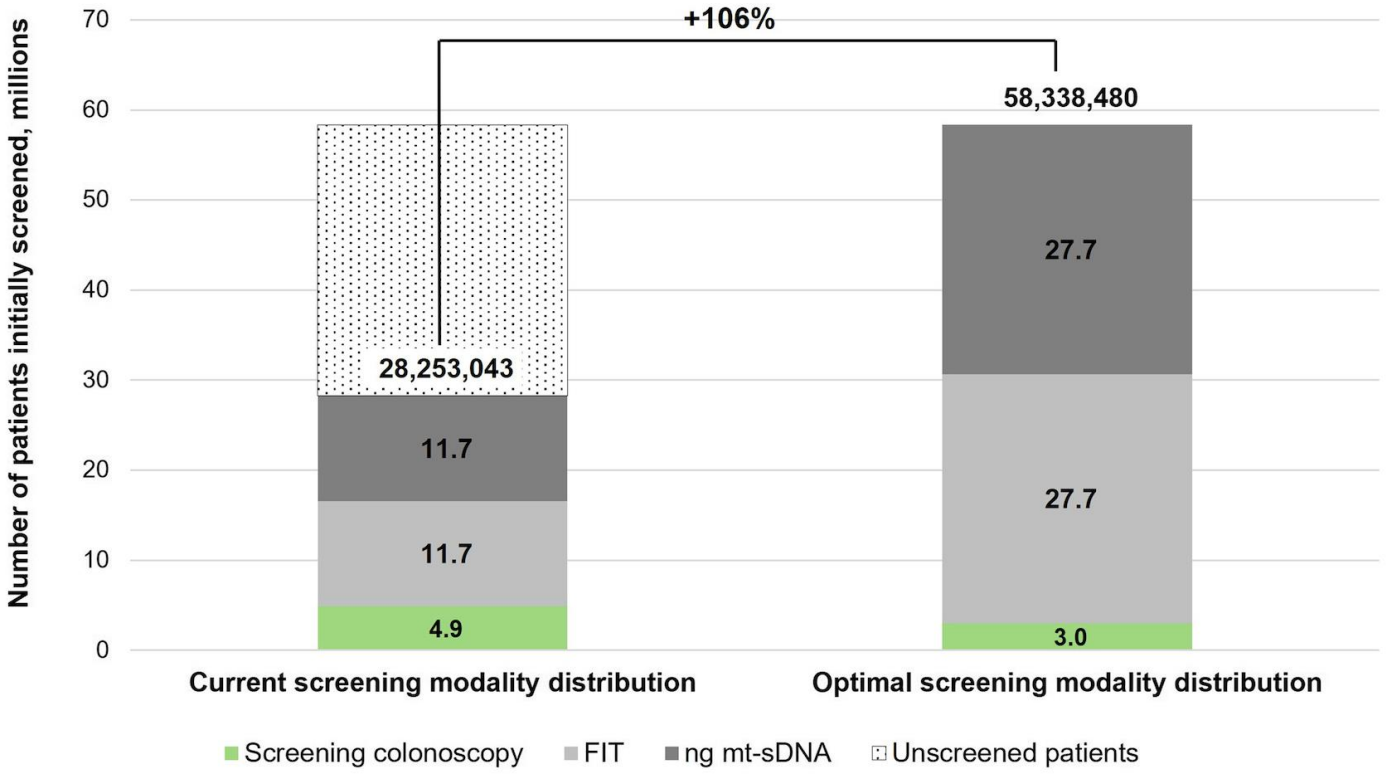
Reallocating Colonoscopy Capacity: A “Win” for Patients, Clinicians and Payers

Screen all eligible patients

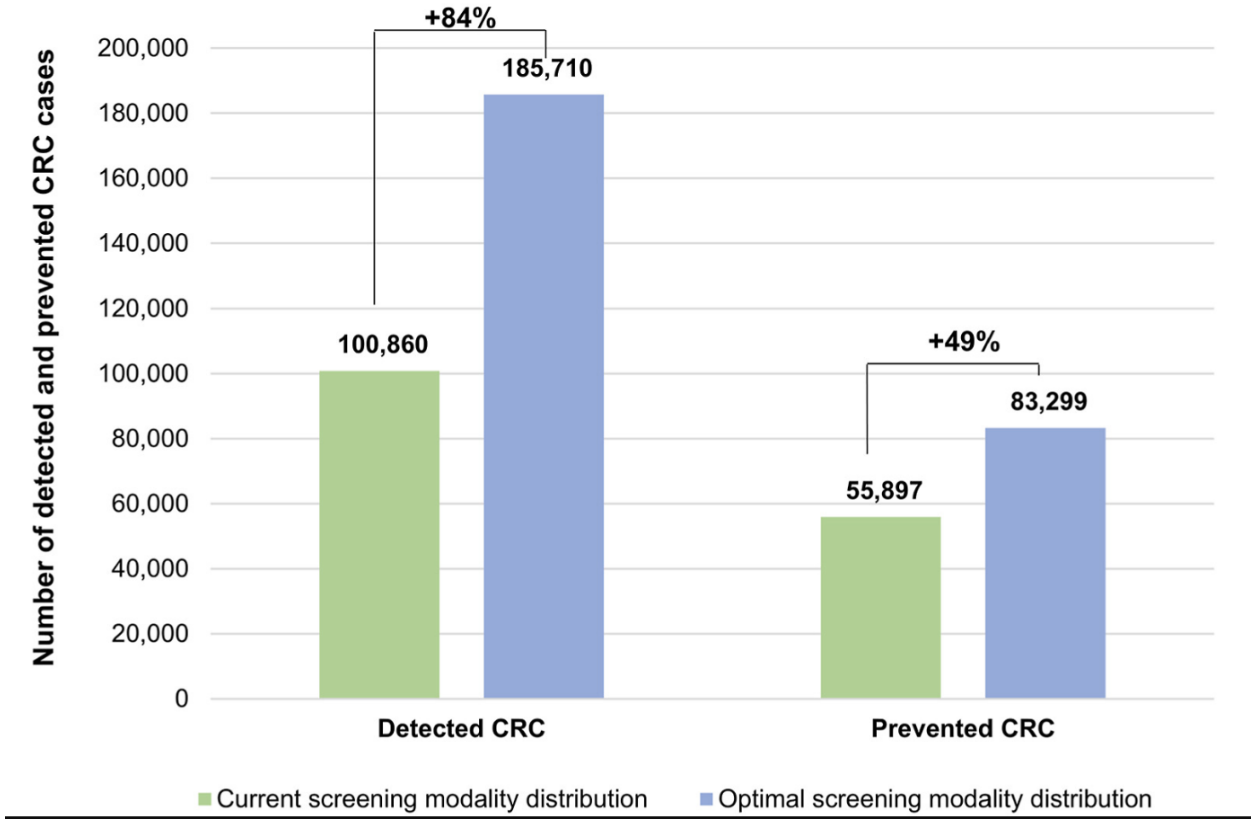


doi.org/10.1016/j.gastha.2026.100930.

V-BID

Reallocating Colonoscopy Capacity: A “Win” for Patients, Clinicians and Payers

More CRC cases (84%) detected, More CRC cases (49%) prevented

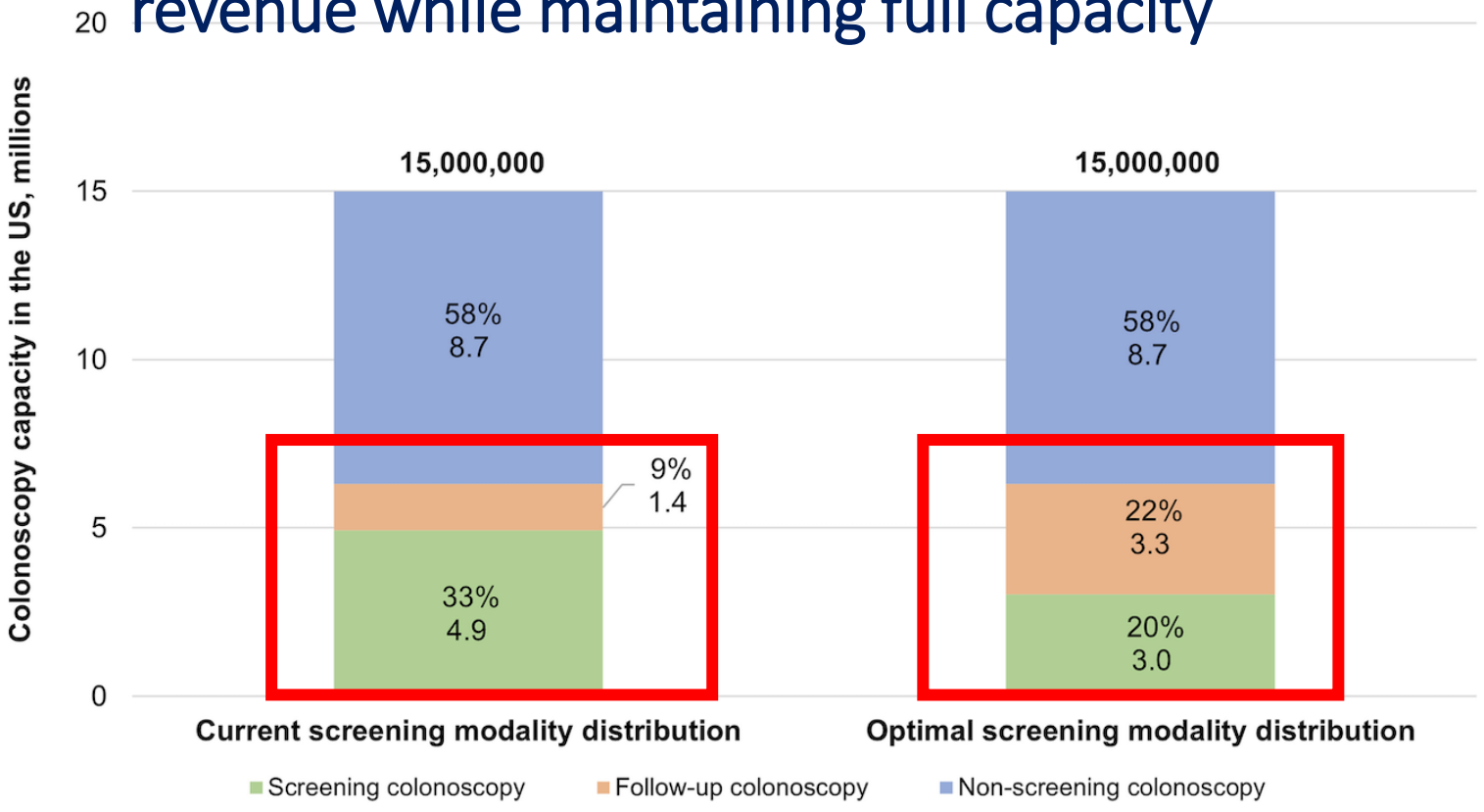


doi.org/10.1016/j.gastha.2026.100930.

V-BID

Reallocating Colonoscopy Capacity: A “Win” for Patients, Clinicians and Payers

Maximize colonoscopy efficiency and increase revenue while maintaining full capacity

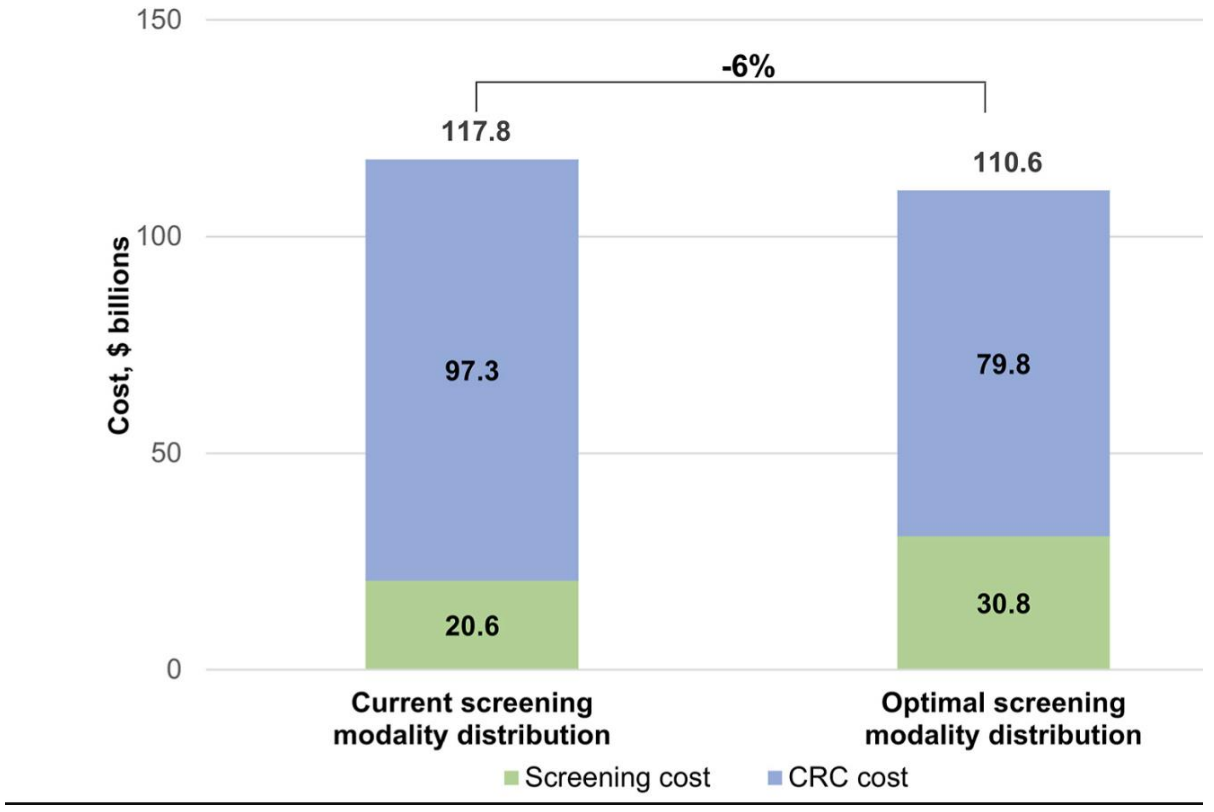


doi.org/10.1016/j.gastha.2026.100930.

V-BID

Reallocating Colonoscopy Capacity: A “Win” for Patients, Clinicians and Payers

Lower total CRC costs, despite more screening and CRC cases detected



doi.org/10.1016/j.gastha.2026.100930.

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Please join me to work to mitigate my obsession with lack of appropriate screening, follow-up and treatment

- Short term: How do we convince gastroenterologists to perform fewer screening colonoscopies and more follow-up procedures?

- Middle term: Address several additional examples of ‘clinical benefits foregone’ most of which need rigorous scientific study to 1) support policy change and 2) develop, implement and evaluate solutions to improve patient outcomes.