

The Health Management Academy

Medicare Advantage “Plus” Pilot Proposal

Over the last five months a group of Leading Health Systems across the country has organically developed a proposal to help the Administration in its efforts to accelerate the transition to value-based reimbursement in the Medicare program. The proposal builds upon the work of Accountable Care Organizations and is offered to enhance care delivered to beneficiaries.

Summary of Proposal:

The group proposes that beneficiaries attributed to participating ACO providers under the Next Generation, MSSP Track 3 or MSSP Track 2 programs would be automatically enrolled into a Medicare Advantage (MA) program affiliated with the participating ACO in 2020. For example, UnityPoint Health’s (Iowa) ACO has approximately 100,000 attributed Medicare lives for 2019. Under the proposal, these beneficiaries would be automatically enrolled into an MA plan affiliated with the provider to which they were assigned (though with significant consumer protections and opt out provisions. They would remain in the plan unless they opt out, in which case they would remain in ACO programming.

This is an MA pilot. The structure of the pilot, financing and payment mechanisms, compliance and beneficiary protections would operate upon the MA chassis, with the following exceptions:

- Providers transitioning their members into a provider integrated MA plan would be allowed to transfer beneficiary risk scores to the MA plan;
- The provider integrated MA plan would be able to transfer its quality scores achieved in ACO programming over to the MA plan to operate as a 4 Star plan in 2020;
- Network adequacy rules in rural areas will be modified for the pilot;
- The MA plan will be allowed to submit a new bid for the pilot population;
- Advanced APM standing will be allowed to provider participants and the beneficiary count attributed to the provider will qualify towards the “Medicare only” count under MACRA.

Advantages for Beneficiaries:

- A plan tailored to seniors in their own community (beneficiary choice in plan offerings not available under Medicare FFS) and connection to a broader array of healthcare services and network, especially true for seniors in rural areas;
- Cost savings to seniors who now pay for Medicare FFS, Part D and a Supplemental plan (in some parts of the country this change will result in \$150 to \$300 per month savings to Medicare seniors);
- Communication regarding their coverage options and enhanced care experience for the beneficiary through provider integrated plans that are not available under FFS.

Advantages to the Medicare Program & Government:

- Attribution-based enrollment in MA of ACO attributed lives allows a broader number of Medicare beneficiaries to enter MA over the next 5 years;
- Wide scale adoption of MA by seniors will bring sustainability and predictability of the cost of the MA program to the ACO programming;
- The design of the pilot enables the agency to make this transition for seniors while it enhances access to providers and choice of services to rural and underserved geographies.

Advantages to Providers:

- The proposal would engage providers in a meaningful way in the administration of the Medicare program; this engagement is the key to providers successfully taking risk;
- The proposal provides a long term solution for provider compliance with and success under MACRA, including a turn-key option for participation as an Advanced APM;
- The MA program offers a tested, stable model of financing for provider risk-based models.