

# NHPCO Virtual Town Hall: Medicare Advantage and Hospice

October 4, 2018

2:00 PM (EST) – 3:00 PM (EST)



# Virtual Town Hall Basics

- Zoom webinar functions
  - Poll questions, Zoom webinar chat, Q & A
- Test drive
- Email us at: [innovation@nhpco.org](mailto:innovation@nhpco.org)
- Recording and MA-related member resources available at: <https://www.nhpco.org/medicare-advantage-and-hospice>

# Background

- NHPCO and the Better Medicare Alliance (BMA) announced our partnership to engage in a **mutual collaboration to 1) identify information gaps, 2) areas of agreement, and 3) policy questions** that warrant further deliberation
- Your participation today will help establish these three main areas of focus for the hospice community.

# Virtual Town Hall Team

- Edo Banach, JD, President and CEO
- Zinnia Ng Harrison, MHS, Vice President, Innovation and Inclusion
- Lori Bishop, MHA, BSN, RN, CHPN, Vice President, Palliative and Advanced Care
- Katherine Kemp, Veteran Services Manager



# Objectives

- What is the relationship between Medicare Advantage and Hospice Benefit today?
- What are policymakers saying about covering hospice under Medicare Advantage plans?
  - Medicare Payment Advisory Commission (MedPAC) standing recommendation
  - United States Senate Committee on Finance
  - Centers for Medicare & Medicaid Services (CMS)
  - Connecting the dots
- What are NHPCO members saying about including hospice in Medicare Advantage plans?

# Medicare Advantage and Hospice Today

- Medicare Advantage (MA) plans do not directly cover hospice care.
- When an individual with MA elects the Medicare hospice benefit, fee-for-service Medicare covers all Medicare-covered services. The individual's MA plan may continue to provide services not covered by Medicare, and the MA plan or standalone Part D prescription drug plan will continue to cover the individual's prescription drugs.
- Coverage:
  - Hospice: All services related to the terminal condition
  - Medicare Advantage: Any additional services not covered under fee-for-service Medicare (such as vision and dental benefits), as well as Part D-covered prescription drugs, if applicable.

# Medicare Advantage Goals

- A goal of the MA program is to move away from fragmented payment arrangements and to provide an integrated, coordinated benefits package.
- MA is expected to be financially responsible and accountable for managing its enrollees' care in an integrated, coordinated manner.
- Therefore, the belief is that it would make sense for the plan to have responsibility for the full continuum of care, including hospice.

# MedPAC Recommendation

- What is MedPAC?
  - Nonpartisan legislative branch agency that provides the U.S. Congress recommendations; 17 Commissioners; MedPAC staff conduct research and analysis to present to the Commission for discussion and vote
- **2014 Recommendation:** Congress should include the Medicare hospice benefit in the Medicare Advantage benefits package beginning in 2016.



# MedPAC Recommendation

- **Rationale**

- The carve-out of hospice from MA fragments financial responsibility and accountability for care for MA enrollees who elect hospice.
- Including hospice in the MA benefits package would **give responsibility to plans for the full continuum of care, which would promote integrated, coordinated care**, consistent with the goals of the MA program.

# MedPAC Recommendation

- It would be important to specify that **MA plans must cover the full scope of the hospice benefit** as defined in the Social Security Act.
- What constitutes hospice care outlined in the **Medicare hospice conditions of participation would be applicable to hospice care provided through MA** since plans must contract with Medicare-certified providers who are required to abide by the Medicare conditions of participation for all patients.
- When flexibility is needed because the MA network provider is unable to meet the individual's needs, **plans typically pay non-network providers the FFS rate** (out-of-network providers who accept an MA patient must agree to accept FFS rates as payment in full, though the plan and provider can negotiate an alternative payment arrangement).

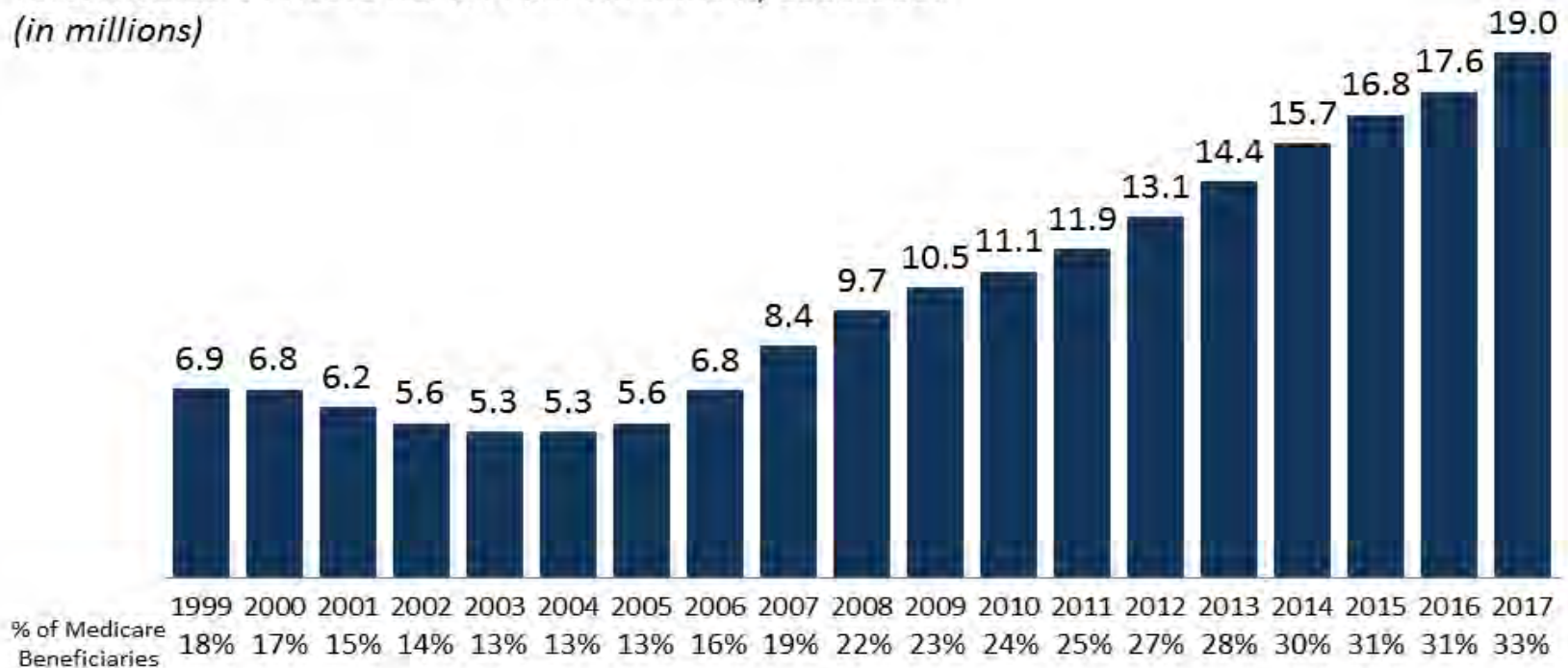
# Key Data Trends

- Of the beneficiaries in MA prior to the hospice election (MedPAC)
  - Length of stay is a little shorter for the long stays
  - Live discharge rates are a little lower compared to fee-for-service
  - Clinical conditions from MA plans prior to hospice election are similar
  - More MA enrollees are dying on hospice
- Growth in MA enrollment across the country (Kaiser 2014-2017)
- Growth in the percent of Hospice Beneficiaries in MA one month prior to the hospice election (CMS PUF 2014)

Figure 1

## Enrollment in Medicare Advantage plans has steadily increased since 2004

Total Medicare Private Health Plan Enrollment, 1999-2017  
(in millions)



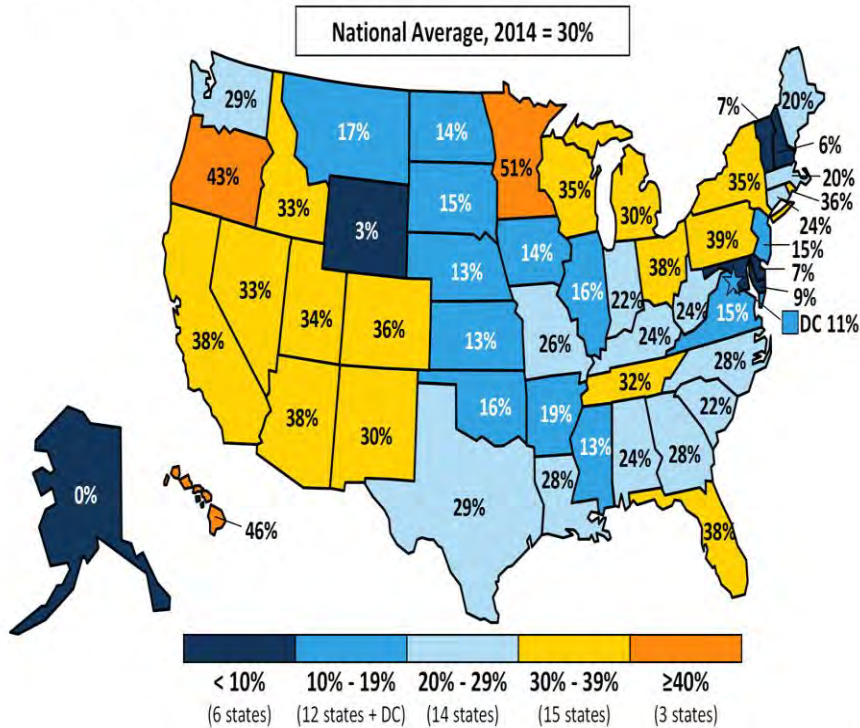
NOTE: Includes MSAs, cost plans, demonstration plans, and Special Needs Plans as well as other Medicare Advantage plans. Excludes beneficiaries with unknown county addresses and beneficiaries in territories other than Puerto Rico.

SOURCE: Authors' analysis of CMS Medicare Advantage enrollment files, 2008-2017, and MPR, "Tracking Medicare Health and Prescription Drug Plans Monthly Report," 1999-2007; enrollment numbers from March of the respective year, with the exception of 2006, which is from April.



Exhibit 2

## Share of Medicare Beneficiaries Enrolled in Medicare Advantage Plans, by State, 2014

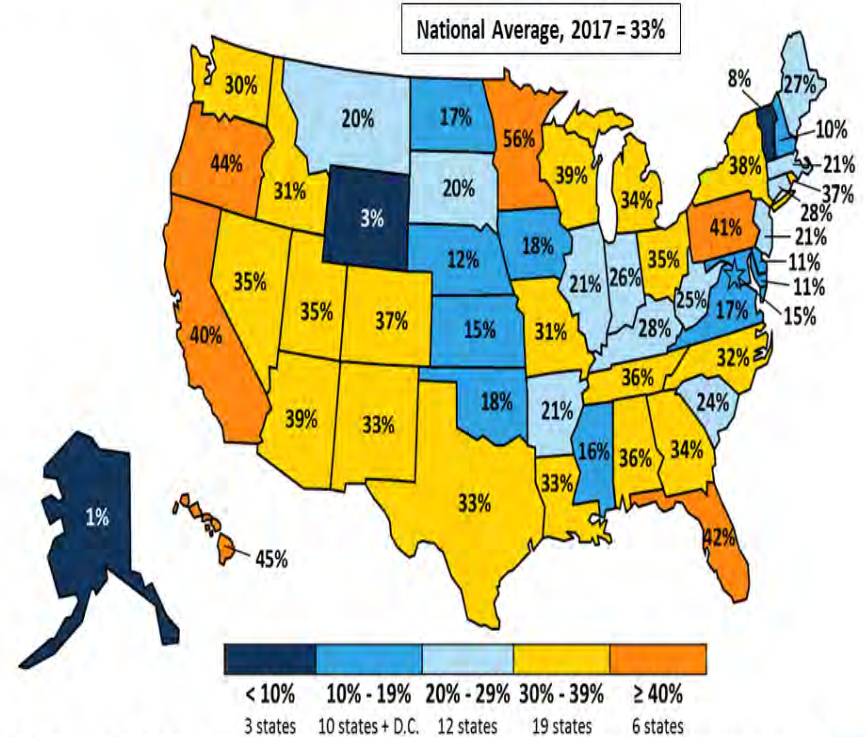


NOTE: Includes MSAs, cost plans and demonstrations. Includes Special Needs Plans as well as other Medicare Advantage plans.  
 SOURCE: MPR/Kaiser Family Foundation analysis of CMS State/County Market Penetration Files, 2014.

Figure 4

## Enrollment in Medicare Advantage plans varies across states

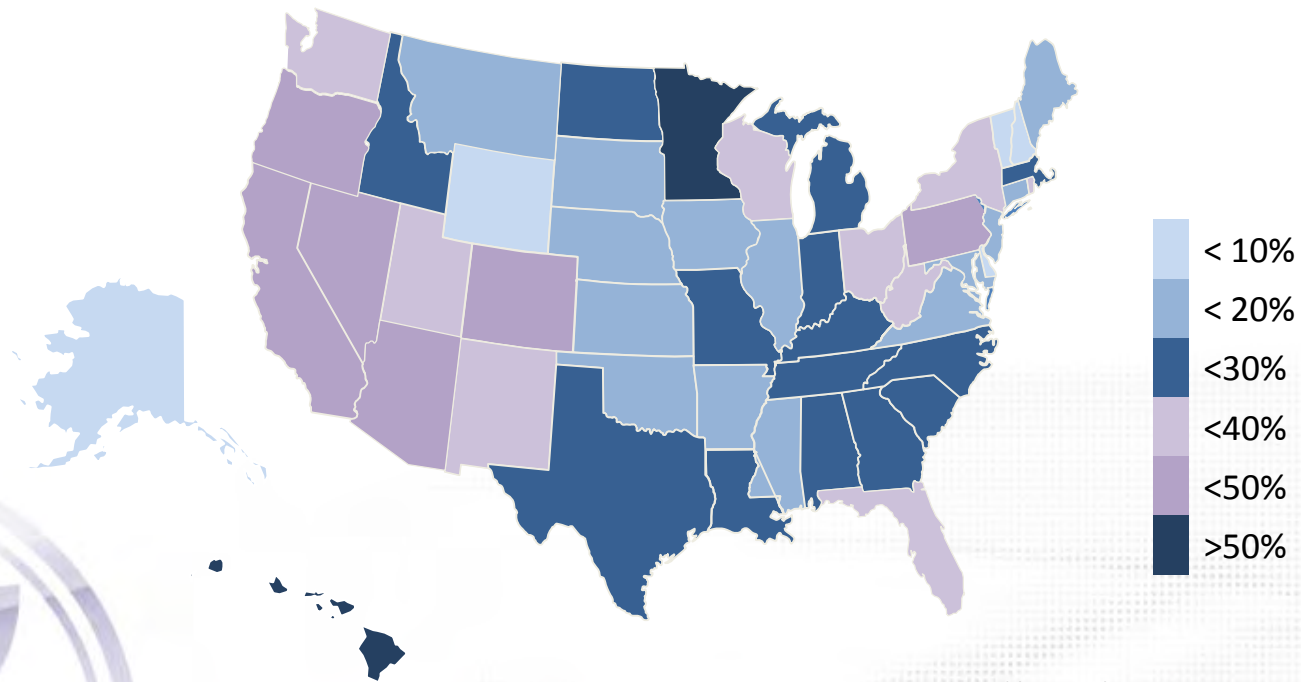
Share of Medicare Beneficiaries Enrolled in Medicare Private Health Plans, by State, 2017



NOTE: Includes MSAs, cost plans and demonstrations. Includes Special Needs Plans as well as other Medicare Advantage plans. Excludes beneficiaries with unknown county addresses and beneficiaries in territories other than Puerto Rico.  
 SOURCE: Authors' analysis of CMS State/County Market Penetration Files, 2017.



# Percent of Hospice Beneficiaries in MA 1 month prior to the hospice election



Source: Hospice Public Use File, CY2014



# Senate Finance Committee Recommendation

United States Senate Committee on Finance  
(December 2015)

- “The chronic care working group is considering requiring MA plans to offer the hospice benefit provided under traditional Medicare. The full scope of the hospice benefit, including the required care team and written care plan, would be required.”

# 2018 Policy Tea Leaves

- CY 2019 Medicare Advantage and Part D call letter
  - “Primarily health related” interpretation is now expanded to all MA plans more flexibility in designing and offering supplemental benefits
- Bipartisan Budget Act of 2018
  - Expands supplemental benefits to meet the needs of chronically ill Medicare Advantage enrollees beginning in CY 2020
  - Not to conflict with the CY 2019 call letter
  - GAO report to be released by 2023 to provide a descriptive analysis of the supplemental benefits
- Physician-Focused Payment Model Technical Advisory Panel (PTAC) supports CMS testing of a palliative care model to serve needs of patients with serious illness.



# **WHERE DO NHPCO MEMBERS STAND ON MA CARVE-IN?**



# NHPCO Legislative Agenda Feedback

- August 2018, the Hospice Action Network released the 116<sup>th</sup> Congress Legislative Agenda survey
  - Over 250 respondents
- Q9 - Please rate your support or opposition for the proposed MA Carve-In, i.e. hospice becoming a Medicare Advantage benefit?
  - Mean response = 7.17

# NHPCO Member Feedback

- *[Included the 116<sup>th</sup> Legislative Agenda Survey question in response to audience feedback]*
  - Q10-Please share any additional thoughts/comments about a proposed MA carve-in
- **Beneficiary Access**
  - Beneficiaries must have the flexibility to go outside of the MA plan network to receive hospice services without financial penalties.
- **Integrity of the Hospice Benefit**
  - Hospices must be able to provide the full depth and breadth of services and the interdisciplinary team.

# NHPCO Member Feedback

- **Quality Oversight and Accountability**
  - Continue to respect the role of the hospice Medical Director and the hospice Interdisciplinary Team
- **Administrative Burden**
  - Contracts between MA plans and hospices should be standardized nationwide.

# NHPCO Member Feedback

- **Support Small Hospices**

- Private plans are not contracting with small or new providers now and this would get worse if hospice is included in MA plans.

- **Need More Information**

- Seeing both sides of the recommendation, but there is not enough information to understand the implications or unintended consequences

# NHPCO Member Feedback

- Beneficiary Access
- Integrity of the Hospice Benefit
- Quality Oversight and Accountability
- Administrative Burden
- Support Small Hospices
- Need More Information



# References

- Medicare Advantage 2017 Spotlight: Enrollment Market Update (Kaiser Family Foundation )
  - <https://www.kff.org/medicare/issue-brief/medicare-advantage-2017-spotlight-enrollment-market-update/>
- Medicare Payment Advisory Commission (MedPAC)
  - Medicare Advantage Program: Status Report (March 2014):
    - [http://www.medpac.gov/docs/default-source/reports/mar14\\_ch13.pdf?sfvrsn=0](http://www.medpac.gov/docs/default-source/reports/mar14_ch13.pdf?sfvrsn=0)
  - Report to Congress: Medicare Payment Policy (March 2018)
    - [http://medpac.gov/docs/default-source/reports/mar18\\_medpac\\_entirereport\\_sec\\_rev\\_0518.pdf?sfvrsn=0](http://medpac.gov/docs/default-source/reports/mar18_medpac_entirereport_sec_rev_0518.pdf?sfvrsn=0)
- United States Senate Finance Committee: Bipartisan Chronic Care Working Group Policy Options Document (December 2015)
  - <https://www.finance.senate.gov/imo/media/doc/CCWG%20Policy%20Options%20Paper1.pdf>

# References (continued)

- Including Hospice Care In The Medicare Advantage Benefits Package: Considering The Implications And Opportunities (March 27, 2018)
  - <https://www.healthaffairs.org/doi/10.1377/hblog20180322.994092/full/>
- Integrating Care at the End of Life: Should Medicare Advantage Include Hospice? (April 16, 2014)
  - <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4111101/>
- Physician Focused Payment Model Technical Advisory Commission (PTAC)
  - <https://aspe.hhs.gov/system/files/pdf/255906/PTACCommentsRecommendationAAHPMCTAC.pdf>
- CMS Hospice Public Use File (PUF)
  - <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Provider-Charge-Data/Hospice.html>



# NHPCO Related Resources

- Episode 49 Podcast: A Discussion on MA and Hospice
  - <https://www.nhpc.org/regulatory/nhpc-podcast>
- NHPCO Updater (blogs)
  - <http://nhpc.blogspot.com/2018/09/a-new-frontier-and-im-not-afraid-to.html>
- Contact us at: [innovation@nhpc.org](mailto:innovation@nhpc.org)
- NHPCO MA and Hospice Webpage: <https://www.nhpc.org/medicare-advantage-and-hospice>

# Reflections

- Thank you
- What are your priority concerns?
- What are the areas of greatest opportunity?

