



2021 Medicare Advantage Value-Based Insurance Design Model: Impact on Hospice Care for Beneficiaries

The National Hospice and Palliative Care Organization (NHPCO), the Medicare Rights Center and Families USA support legislation that delays the implementation of the 2021 hospice benefit component of MA VBID which will result in beneficiary harm by hindering access to high quality hospice care if implemented prematurely as designed.

BACKGROUND

Starting in January 2021, the Centers for Medicare and Medicaid (CMS) Innovation Center (CMMI)'s Medicare Advantage Value-Based Insurance Design (VBID) Model will include a hospice benefit component allowing participating Medicare Advantage (MA) plans to include hospice in their Part A benefits package for the first time. Hospice care is currently "carved out" of MA, and hospice services received by plan enrollees are reimbursed under traditional Medicare Part A.

According to CMMI, the VBID model was initially launched in 2017 to test Medicare Advantage plan "innovations" designed to reduce Medicare program expenditures and enhance the quality of care for Medicare beneficiaries. Under the hospice benefit component, participating plans can add hospice services by contracting with hospice providers in their service area and beneficiaries may select a hospice of their choice to provide care without leaving the MA plan. After two years, the plan's network narrows and only hospices who are "in-network" will be covered, and the beneficiary's hospice choice will be significantly limited. MA plans may also add palliative care as a supplemental benefit; however, palliative care services are undefined and beneficiaries may not receive the full array of palliative care services, depending on the MA plan's specific definition.

Plan innovations have the potential to enhance care coordination during the course of a serious illness and provide an opportunity for access to high-quality, person-centered care. As currently designed, the launch of the hospice component of VBID in calendar year 2021 is unfeasible and is a missed opportunity to innovate in care delivery at the end of life. The unanswered questions about how the model will be implemented imperil the quality and access beneficiaries should be able to depend on for serious illness and at the end of life. Hospice providers face mounting technical and operational issues while simultaneously working to ensure uninterrupted care during a national public health emergency as the entire country grapples with a second wave of coronavirus infections.

Only recently, on October 9, 2020 did CMMI release Technical & Operational Guidance for the hospice benefit component, less than three months from the launch of the model. This guidance left many key operational questions—including those related to eligibility and enrollment—unanswered. Uncertainty remains for providers and IT vendors about hospice rates, levels of care, submitting claims, and receiving payment.

WITHOUT A DELAY IN IMPLEMENTATION, MEDICARE BENEFICIARIES MAY NOT RECEIVE THE HOSPICE AND PALLIATIVE CARE THEY DESERVE

Timing: Given the number of technical and operational questions still pending at CMMI, beneficiaries may not experience a seamless transition to the new model; may go without an assurance that the palliative care offered by the MA plan represents the full array of palliative care services; and may not have access to the hospice of their choice. The late release of key Technical & Operational Guidance leaves providers, IT vendors, and other stakeholders with

unresolved issues that limit their ability to operationalize by January 1, 2020. Beneficiaries cannot be guaranteed access to the hospice of their choice, and care for this vulnerable population may be delayed.

Beneficiary Access: As currently structured, this model is a missed opportunity to expand access to hospice and palliative care. Without waiving structural barriers to hospice eligibility or adding parameters on what transitional concurrent care means, this model does not reach all seriously ill beneficiaries that are in need of hospice services.

Palliative Care: Without the delineation of “core” palliative services, beneficiaries may face discrepancies in interpretations of comprehensive palliative care services, may not have access to the full array of services, and will not have a seamless transition of care from palliative care to hospice.

Network Adequacy: Across the nation, there are geographic areas served by only one hospice provider. This poses a risk to beneficiary access if that hospice is not “in-network” with a participating MA plan.

Payment: In-network payment for this model is not adequate for the majority of hospices to provide high-quality interdisciplinary care. Without payment parameters and a limitation on the number of days of covered concurrent care, there is risk of tax-payer dollars supporting an initiative that does not increase quality of care delivered or provide the right care at the right time in the plan enrollee’s disease progression.

With these considerations in mind, rushing a model demonstration that could pose significant harm to beneficiaries in the middle of a national public health emergency and global pandemic is reckless. We request that policymakers delay the CY 2021 VBID model by at least one year to allow technical and operational issues to be addressed. Hospice patients and their families deserve a demonstration that improves access to high quality care at the end of life.

For more information reach out to innovation@nhpco.org.

ABOUT

The National Hospice and Palliative Care Organization is the largest nonprofit membership organization representing hospice and palliative care programs and professionals in the United States. NHPCO represents over 4,300 hospice locations and 58,000 individual professionals caring for more than 1,000,000 patients and their families across the country. NHPCO plays a critical role in helping to empower consumers to learn more about hospice and palliative care and in choosing a quality hospice provider through resources such as NHPCO’s CaringInfo.org. Additionally, NHPCO is committed to encouraging an environment of paying for value over volume and working to ensure providers deliver person-centered, interdisciplinary care that builds on the field’s four decades of service.

Medicare Rights Center is a national, nonprofit organization that works to ensure access to affordable health care for older adults and people with disabilities through counseling and advocacy, educational programs, and public policy initiatives. Each year, Medicare Rights provides services and resources to nearly three million people with Medicare, family caregivers, and professionals.

Families USA, a leading national, non-partisan voice for health care consumers, is dedicated to achieving high-quality, affordable health care and improved health for all. Our work is driven by and centered around four pillars: value, equity, coverage, and consumer experience. We view these focus areas — and the various issues unique to each area — as the cornerstones of America’s health care system.