

**2020 SMP/SHIP
National Conference**

July 21-23, 2020



**SUPPLEMENTAL BENEFITS IN
MEDICARE ADVANTAGE**

July 23, 2020

Session Overview

- National Perspective
 - Regulatory framework
 - Recent changes
 - Similarities and Variation
- State Perspective
 - Supplemental benefits in NC and UT
 - Counseling
 - Training
 - Marketing activity

Supplemental Benefits Background

- Medicare Advantage (MA) plans offer benefits that Original Medicare does not cover
 - Longstanding rule: plan benefits must be offered uniformly to all enrollees residing in the plan's service area
 - Supplemental benefits have been part of the MA (Part C) program from its beginning in 1999
 - Special Need Plans (SNPs) have offered targeted benefits to special needs enrollees since 2006

Supplemental Benefits Background

- Key concepts
 - Supplemental benefit types
 - Standard
 - Targeted (began in 2019)
 - Chronic (began in 2020)
 - “Reinterpretations” announced in 2018
 - Primarily health related requirement
 - Uniformity requirement

Supplemental Benefits to Extend Original Medicare Benefits

- Additional hospital and SNF days
- Waive 3 day prior hospital rule for SNF stays
- Worldwide emergency/urgent care
- Routine care
 - Chiropractic
 - Dental care
 - Eye care and eye glasses
 - Hearing exams and hearing aids

Other Eligible Supplemental Benefits (A partial list)

- Acupuncture
- Alternative Therapies
- Bathroom Safety Devices
- Alternative Therapies
- Fitness benefit
- Health education
- Home safety assessment
- Meals
- Medical Nutrition Therapy
- OTC benefits
- PERS
- Point of Service (POS)
- Transportation
- Weight loss programs
- Wigs with chemo

Covered Over-the-Counter (OTC) “Health & Wellness” Products



Most Popular Supplemental Benefits

- Vision: 95% of plans
- Fitness: 89% of plans
- Hearing: 89% of plans
- Dental: 81% of plans
- OTC card: 72% of plans

Enrollee Access to Supplemental Benefits

- What percent of all MA plan enrollees have...?
 - Vision benefits: 79%
 - Telehealth: 77%
 - Dental benefits: 74%
 - Fitness programs: 74%
 - Hearing aids: 72%
 - OTC benefits: 61%
 - Meals: 39%
 - Transportation: 34%
 - In-home support: 4%

Supplemental Benefit Definitions

- CMS interprets “supplemental healthcare benefit” as an item or service
 - (1) not covered by Original Medicare
 - (2) that is primarily health related, and
 - (3) for which the Medicare Advantage (MA) plan must incur a direct medical cost

Supplemental Benefit Definitions

- In 2018, CMS reinterpreted...
 - “Primarily health related” in effort to expand benefits for all MA plan enrollees.
 - The “uniformity requirement” to allow lower cost-sharing and extra benefits targeted to “similarly situated” beneficiaries with specific conditions, e.g., congestive heart failure, pre-diabetes, opiate use disorder

Primarily Health Related: Before 2018

- The primary purpose of an item or service must be “to prevent, cure, or diminish an illness or injury.”
 - If the primary purpose is “comfort, cosmetic, or daily maintenance then it is not eligible as a supplemental benefit.”
- Ineligible benefits: homemaker and maid services, massage, meals at home unrelated to a hospital stay or chronic illness

Primarily Health Related: After 2018

- CMS will allow supplemental benefits if they are used to:
 - 1) diagnose, prevent, or treat an illness or injury;
 - 2) compensate for physical impairments or ameliorate the functional/psychological impact of injuries or health conditions; or
 - 3) reduce avoidable emergency and healthcare utilization
 - Eligible benefits: therapeutic massage, caregiver support, adult day health services, and more

Special Supplemental Benefits for the Chronically Ill

- Bipartisan Budget Act of 2018
 - Expanded supplemental benefits for the chronically ill to include:
 - Benefits that “have a reasonable expectation of improving or maintaining the health or overall function of the chronically ill enrollee and may not be limited to being primarily health related benefits.”
 - Allows MA plans to offer benefits that are both...
 - Not primarily health-related and offered non-uniformly to eligible chronically ill beneficiaries

Special Supplemental Benefits for the Chronically Ill

- Who's "chronically ill?"
- An individual who—
 - Has one or more comorbid and medically complex chronic conditions that is life threatening or significantly limits overall health or function;
 - Has a high risk of hospitalization or other adverse health outcomes; and
 - Requires intensive care coordination.

Special Supplemental Benefits for the Chronically III

- SSBCI can be in the form of—
 - reduced cost sharing for Medicare covered benefits (such as to improve utilization of high-value services)
 - Reduced cost sharing for primarily health related supplemental benefits
 - Additional primarily health related supplemental benefits; or
 - Additional non-primarily health related supplemental benefits.

Special Supplemental Benefits for the Chronically III

- Examples: Non-primarily health SSBCI
 - meals (beyond a limited basis)
 - food and produce (i.e., groceries)
 - transportation for non-medical needs
 - pest control, indoor air quality improvements
 - programs and events to address social needs (e.g., non-fitness club memberships, social clubs, park passes, etc.)
 - structural home modifications
 - general supports for living (e.g., rent or utility subsidies)

Who's Entitled to a New Mattress?



**You Might be Entitled to Recieve a New
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“And now a word from our sponsors...”

- TV Commercial with Joe Namath for the Medicare Coverage Help Line
 - <https://www.youtube.com/watch?v=gfnAQBqsNtI>
- “How do I sign up for that free lunch?”
 - How SHIPs and SMPs manage expectations

Supplemental Benefit Challenges for SHIPs and SMPs?

- **Beneficiaries:** What are you hearing & seeing?
- **Information:** How are you learning about supplemental benefit offered in your state?
- **Training:** How are you educating team members about supplemental benefits?
- **Counseling:** What are the key messages and/or caveats you share with clients?
- **Marketing Conduct:** Can you monitor the message?
- **COVID-19:** Has it added to the challenges?

Tips

- **No guarantee:** MA plan customer service representatives and agents/brokers *cannot* confirm that a potential plan member will be eligible for the new SSBCI prior to enrollment
- **BOLO:** SMPs and SHIPs should “be on the lookout” for beneficiaries who were promised the new benefits, induced to join a plan, and didn’t get the SSBCI after enrolling. Use the SEP for Contract Violation when necessary.
- **Appeal Rights:** Plan members can appeal SSBCI denials. Refer to a plan’s Evidence of Coverage (EOC) for the coverage rules. CMS requires plans to clearly identify SSBCI eligibility criteria in their EOC documents

Questions and comments?

CMS Regulations and Guidance

- Final Rule with SSBCI regulations published in the [Federal Register](#), June 2, 2020
- CMS' [manual guidance on Supplemental Benefits](#) awaits revision
- CMS' MA [Marketing Guidance](#) prohibits:
 - “communications that are materially inaccurate, misleading, or otherwise make misrepresentations or could confuse beneficiaries”

Resources

- *Medicare Messenger* article: [“Medicare Advantage Plans’ New Supplemental Benefits: What to Look For”](#)
- Center for Medicare Advocacy [Advocates Guide](#)
- [Medicare Advantage Supplemental Benefits Counseling Tips](#)