

Findings at a Glance

MODEL OVERVIEW

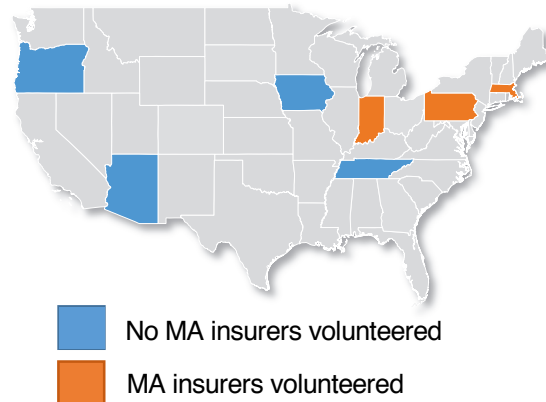
The Medicare Advantage (MA) Value-Based Insurance Design (VBID) model test allows insurers to offer beneficiaries with chronic disease incentives to use high-value services (e.g. eye exams for those with diabetes). Participating insurers can offer reduced cost-sharing for high-value services or providers, reduced cost-sharing contingent on beneficiary participation in disease management, or provision of additional supplemental benefits. The goal of the model is to improve beneficiary health through better disease control, and to save money for both insurers and Medicare by reducing costly complications that can occur when chronic conditions are poorly managed.

PARTICIPATION

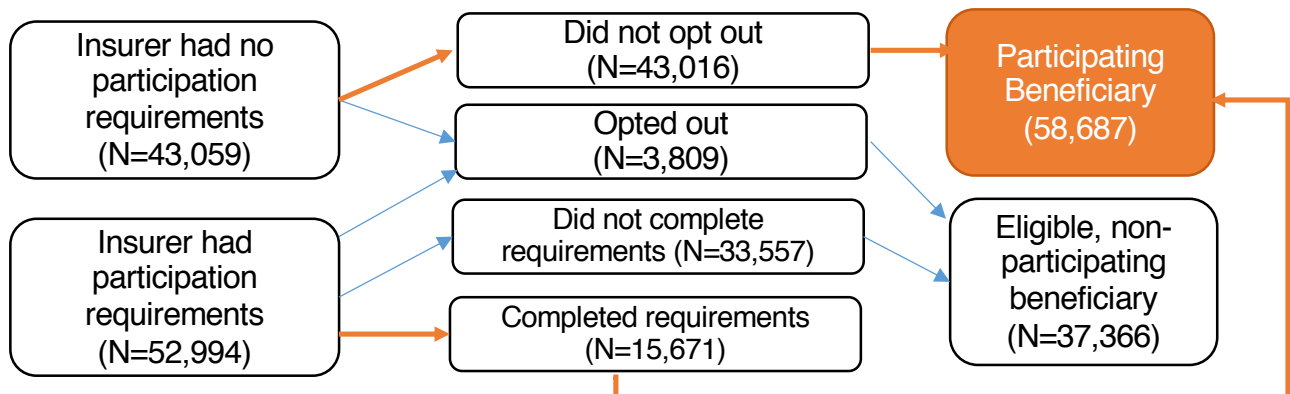
In 2017, MA insurers in 7 states could participate in the model. **9 insurers**, in **3 states**, offered **45 VBID plans**.

Beneficiaries could opt out of the model test, and most insurers required eligible beneficiaries to complete requirements to receive VBID benefits. Out of 96,053 eligible beneficiaries, **58,687 participated**.

States in which Insurers Could Offer VBID, 2017



Participation Status of VBID-Eligible Beneficiaries (N=96,053), 2017



Findings at a Glance

FINDINGS

Target Conditions and Benefit Design

- ✓ Insurers targeted beneficiaries with 4 out of 7 allowed conditions:
 - Chronic obstructive pulmonary disease (COPD, n=4)
 - Congestive heart failure (CHF, n=5)
 - Diabetes (n=4)
 - Hypertension (n=1)
 - Some targeted co-morbid conditions (e.g. diabetes and CHF combined)
- ✓ 6 insurers included a care management component.
- ✓ 2 insurers offered reduced cost-sharing for medications.
- ✓ 2 insurers offered rebates rather than reduced cost-sharing at the point of service.

Insurer Implementation Experience

Facilitators

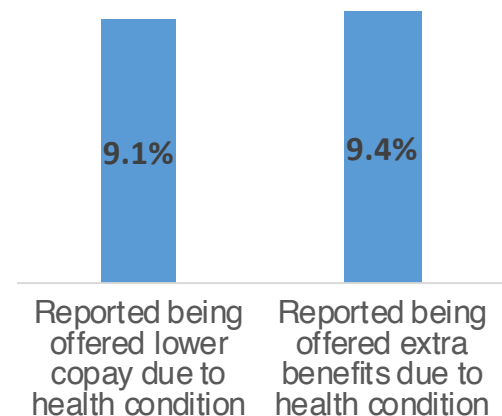
- Offering simpler interventions
- Naming a dedicated staff lead
- Leveraging prior experiences
- Enabling cross-departmental collaboration

Challenges

- Managing two sets of benefits within a single MA plan
- Restrictions on ability to market VBID to beneficiaries
- Educating staff about the model
- Addressing poor health literacy among beneficiaries

Beneficiary Awareness of Model

Among ~900 surveyed eligible beneficiaries



Effects on Outcomes in 2017

- No change in enrollment or projected revenue to plans
- Many outcomes, including utilization, beneficiary health status, and quality metrics, cannot be assessed until complete data for 2017 become available

KEY TAKEAWAYS

Participating insurers targeted COPD, CHF, diabetes, and hypertension. Seven out of nine insurers required beneficiaries to complete requirements, such as participating in care management, to receive VBID benefits; 30 percent of targeted beneficiaries actually completed such requirements. Enrollment and plan bids did not change in the first year, as expected; most 2017 MA data are not yet complete at this time for a full impact analysis for this report.

This document summarizes the evaluation report prepared by an independent contractor. For more information about the VBID model and to download the evaluation report, visit <https://innovation.cms.gov/initiatives/vbid/>