



Medicare Advantage Value-Based Insurance Design Model



**Webinar:
CY2019 Application Cycle**

**VBID Model Team
December 13, 2017**

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Agenda

- Model Overview
- Changes to CY2019
- Eligibility Requirements
- Clinical Conditions
- Proposing a Methodology
- VBID Interventions Types and Examples
- VBID vs. Uniform Flexibility Rule*
- Overview of Application Process
- Application Timeline
- Q&A

Model Overview

- The VBID Model grants a limited waiver of Medicare Advantage uniformity requirements, in order to permit organizations to introduce plans with clinically-nuanced VBID elements into their benefit designs.
- 5 year Model test began January 1, 2017.
- Voluntary participation by MA & MA-PD plans.
- Plan flexibility to design VBID benefits using CMS-allowed flexibilities.
- No additional payment to plans.

Changes for CY2019

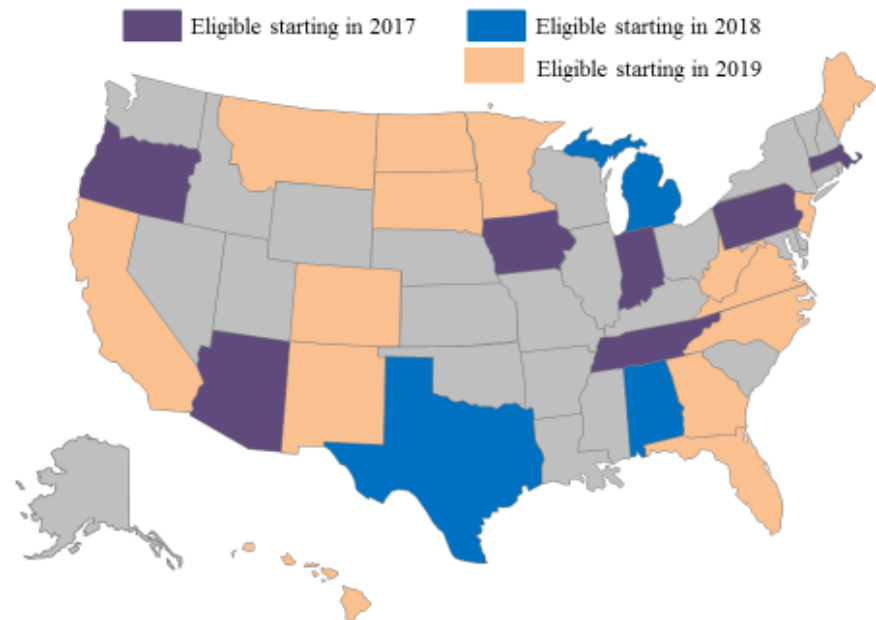
- Conduct the Model in 15 additional states.
- Allow Chronic Condition Special Needs Plans (C-SNPs) to participate in the Model.
- Allow MA organizations to propose a methodology for identifying VBID Model eligible beneficiaries.

Eligibility Requirements

MA or MA-PD plan must be located in one of the following 25 states.

2018: Alabama, Arizona, Indiana, Iowa, Massachusetts, Michigan, Oregon, Pennsylvania, Tennessee, and Texas.

2019: California, Colorado, Florida, Georgia, Hawaii, Maine, Minnesota, Montana, New Jersey, New Mexico, North Carolina, North Dakota, South Dakota, Virginia, and West Virginia.



U.S. Map of State Eligibility by Year

Eligibility Requirements

- HMO, HMO-POS, Local PPO, or C-SNP.
- Three Star – Not consistently low performing.
- Not under sanction, no past performance outlier rating.
- Three years of operation prior to the application year.
- Minimum of 2,000 enrollees.
 - Each additional PBP from that MA organization to participate without a CMS exception is 500 enrollees.
- Offered in no more than two states with 50% of enrollees the test state.
- CMS will entertain written exception requests.

*Full list of requirements are detailed in the Request for on the VBID website at: <https://innovation.cms.gov/initiatives/vbid/>

Clinical Conditions

When determining the VBID target enrollees, plans have the options of either:

1. *Target Enrollees Using CMS Defined Chronic Conditions*

1. Diabetes	6. Coronary Artery Disease
2. Chronic Obstructive Pulmonary Disease (COPD)	7. Mood disorders
3. Congestive Heart Failure (CHF)	8. Rheumatoid Arthritis
4. Patient with Past Stroke	9. Dementia
5. Hypertension	

2. *Propose a Methodology to Target VBID Enrollees*

- Identifies enrollees with a different chronic conditions than those previously established by CMS. (examples: obesity/pre-diabetes, asthma, or tobacco use)
- Modifies the existing CMS-approved chronic condition category to target a broader or smaller subset.

Proposing a Methodology

Minimum Proposed Methodology Requirements

- Must use CMS accessible data sources (ICD-10, HEDIS, etc.).
- Methodology must be able to be replicated by CMS.
- Cannot discriminate against non-targeted populations.
- Cannot place undue risk of enrollee harm or confusion, have potential to impose excessive costs on the Medicare program, or are inconsistent with the implementation and evaluation objectives of the Model.
- Research or studies supporting intervention (not required, but encouraged).

VBD Intervention Types and Examples

- **Reduced Cost Sharing for High-Value Services, Supplies, Part D Drugs**
 - \$5 co-pays for eye exams for diabetics; \$0 co-pays for ACE inhibitors for enrollees who have previously experienced an AMI.
- **Reduced Cost Sharing for High-Value Providers**
 - \$0 co-pays for diabetics who visit PCP's with track record of controlling Hba1c levels; \$0 co-pays for non-emergency surgeries at cardiac centers of excellence.
- **Reduced Cost Sharing for Disease Management Participation**
 - Elimination of primary care co-pays for diabetes patients who meet with a case manager.
- **Coverage of Extra Supplemental Non-Covered High-Value Benefits**
 - Extra coverage of smoking cessation for COPD patients.

VBID vs. Uniform Flexibility Rule*

- VBID allows plans to lower cost sharing for Part D benefits.
- VBID allows plans to target VBID interventions based on participation in a disease management program.

*Finalized details are pending

Overview of Application Process

- Applicants will be required to complete an application via the Application Portal by January 26 2018.
 - This application shall include the methodology and data sources for identify eligible beneficiaries.
 - Shall also include the details on the design of the intervention.
- CMS will review the qualification of applicant and acceptability of proposed VBID benefits.
 - Not competitive.
 - No maximum number of qualified plans participating.
 - Actuarial projections required.
- Separate guidance to participants will follow on CY2019 bid procedures and other additional information that may be needed.

Application Timeline

Applications Open	November 22, 2017
Applications Due	January 26, 2018
Review of Applications	January-April, 2018
CMS Provisional Approval	April, 2018
Start of Model Year 3	January 1, 2019

Q&A

- Please visit our website at:
<https://innovation.cms.gov/initiatives/vbid>
- Please send us an email to our help desk:
MAVBID@cms.hhs.gov