

Next Generation ACO Chronic Disease Management Reward Benefit Enhancement: Frequently Asked Questions

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Chronic disease management programs have been implemented by a variety of health plans in an effort to improve care quality, promote self-management, and reduce costs for patients with one or more chronic conditions. These programs are structured treatment plans that aim to help people better manage their chronic disease (e.g., diabetes, asthma, hypertension), and to maintain and improve quality of life. Increasingly, these health plans have incorporated the use of rewards to incentivize patient participation in these programs, commonly in the form of gift cards. The use of these incentives to promote participation in chronic disease management programs has been adopted by commercial insurers, Medicare Advantage plans, and Medicaid agencies.

Frequently Asked Questions

Q1: What is a chronic disease management program?

A1: Generally, chronic disease management programs are structured treatment plans that aim to help people better manage their chronic disease (e.g., diabetes, asthma, hypertension), and to maintain and improve quality of life. Chronic disease programs have been implemented by a variety of health plans, including Medicare Advantage and commercial insurers, in an effort to improve care quality, promote self-management, and reduce costs for patients with one or more chronic conditions.

Subject to approval by the Centers for Medicare and Medicaid Services (CMS), a Next Generation Accountable Care Organization (NGACO) may provide a chronic disease management reward program, which will focus on promoting improved health, preventing injuries and illness, and promoting efficient use of health care resources for individuals with the chronic disease(s) that are included in the program. NGACOs will be permitted to reward eligible beneficiaries with a gift card of limited value for participation in an approved chronic disease management program.

Q2: What is an example of a chronic disease management program?

A2: A chronic disease management program may include a program that requires a Next Generation beneficiary to obtain particular services or preventive screening tests, adhere to prescribed treatment regimens, attend education or self-care management sessions, and meet nutritional goals. Please note that a survey alone will not constitute a chronic disease management program.

Q3: Who is eligible to participate in an NGACO chronic disease management program and receive a gift card?

A3: The Chronic Disease Management Reward Benefit Enhancement is available for participation by Next Generation ACO-aligned beneficiaries. All beneficiaries aligned to

a Next Generation ACO that qualify for a chronic disease management program would be eligible to receive a gift card for their participation in that chronic disease management program.

Q4: Who determines whether a beneficiary qualifies for a chronic disease management program?

A4: An NGACO must describe each chronic disease management program in an implementation plan that specifies the chronic disease(s) the program focuses on. Any aligned beneficiary with one of the specified chronic diseases is eligible to participate in the chronic disease management program that focuses on that disease.

Q4: Is there an annual monetary limit of the gift cards?

A4: Yes, the aggregate value of any and all gift cards provided to a beneficiary in a year cannot exceed \$75. Participation by an aligned beneficiary in multiple chronic disease management programs does not permit a Next Generation ACO to provide gift cards in excess of this annual limit.

Q5: May a commercial partner such as a drugstore fund all or part of the gift card?

A5: No, the NGACO must fund the gift card entirely and provide it directly to the beneficiary.

Q6: Is the government funding the gift cards or other incentives?

A6: No, the government is not funding the gift cards or other incentives. The gift cards have to be fully funded by the NGACO.

Q7: Are there any limitations to the use of the gift cards?

A7: Yes, the gift cards cannot be in the form of cash, monetary discounts, or rebates or redeemable for cash. Also, the gift cards cannot be used to purchase alcohol or tobacco products.

Q8: Can the Chronic Disease Management Reward Benefit Enhancement be given to beneficiaries for receiving an annual wellness visit?

A8: Yes, but only if the NGACO integrates the annual wellness visit (AWV) into its chronic disease management reward program and the program is approved by CMS.

Q9: Does CMS have branding requirements for the gift card? Can it be, for example, a retail store or pharmacy brand gift card? Does the card need to have the NGACO's name on it?

A9: Gift cards do not have to be NGACO-branded, include the NGACO's name, or have the associated retail company's logo removed. The gift card must be provided to the beneficiary directly by the ACO.

Q10: Does this benefit enhancement allow Next Generation ACOs to provide meals to patients as part of its Chronic Disease Management Reward Program?

A10: It would be possible, so long as providing meals serves the requirements outlined in the Next Generation ACO Participation Agreement. Specifically, Appendix O, Section III of the Participation Agreement describes what a qualifying Chronic Disease Management Program is.
