

Top 5 Policy Opportunities to Advance Non-Medical Supplemental Benefits in Medicare Advantage

New, non-medical supplemental benefits in Medicare Advantage (MA) provide an unprecedented opportunity to deliver valuable non-medical services to Medicare beneficiaries to improve their health and wellbeing. By offering benefits that help address beneficiaries' broader social needs, MA plans can provide more comprehensive, high-value care to the growing aging population with complex care needs. Medicare Advantage Organizations (MAOs), providers, policymakers, and other stakeholders must work together to ensure these benefits succeed. Policymakers, including the Centers for Medicare & Medicaid Services (CMS) and Congress, can take several immediate and longer-term actions to advance these benefits and meet beneficiary needs.

Short-Term Policy Opportunities for CMS	
 Provide clarity and technical assistance for MAOs	To accelerate plan take-up of Special Supplemental Benefits for the Chronically Ill (SSBCI), CMS should provide guidance that clarifies statutory language around the targeting criteria for SSBCI. CMS should also provide examples of allowable and non-allowable benefits, while continuing to encourage creativity and innovation.
 Improve marketing guidance and consumer information	CMS should provide guidance to plans on how to market these benefits and improve available benefit information on Medicare Plan Finder. Taken together, these efforts would help plans educate potential and current members on the non-medical benefits available to them.
 Release guidance early	In 2018 and 2019, MAOs faced a compressed timeframe to develop their bids for the following years. Releasing guidance in November or December (instead of the following April) will better support MAOs' abilities to design and build new benefits for their beneficiaries.
Long-Term Policy Opportunities	
 Encourage learning between plans, providers, and other stakeholders	Policymakers should consider opportunities such as learning collaboratives or public forums to promote exchange of best practices, while respecting plans' and providers' intellectual property.
 Consider options to improve sustainability	Given challenges posed by relying on rebate and premium dollars to finance supplemental benefits, there is an opportunity to develop better risk adjustment and explore a more sustainable funding mechanism for these benefits.

For more details on these policy opportunities and the key challenges they seek to address, please read the full policy brief in the “For Policymakers” section [here](#).

Primer on Non-Medical Supplemental Benefits

Historically, CMS has required that MA supplemental benefits, or benefits not covered by traditional Medicare, be “primarily health-related” and available to all members uniformly. Two recent changes give MA plans new flexibility to offer a wide range of supplemental benefits under expanded or new definitions, and to target them to members with specific conditions:

1. CMS’ reinterpretation of the definition of “primarily health-related” benefits, which expanded the scope of these benefits (effective in 2019); and
2. The creation of Special Supplemental Benefits for the Chronically Ill (SSBCI) by Congress in the *CHRONIC Care Act* (effective in 2020).

Requirements for Expanded Primarily Health-Related Benefits:

Previously, benefits were considered primarily-health related “if [the] primary purpose of the item or service is to prevent, cure, or diminish an illness or injury.”

CMS expanded the definition in 2018 to include a three-part test:

- “Must diagnose, prevent, or treat an illness or injury, compensate for physical impairments,
- Act to ameliorate the functional/psychological impact of injuries or health conditions, or
- Reduce avoidable emergency and healthcare utilization.”

Benefits provided under this broader interpretation must be medically appropriate and **recommended** by a licensed provider as part of a care plan if not directly provided by one and do not include items or services solely to induce enrollment.

Other Considerations for These Benefits:

These benefits must be offered uniformly, meaning similarly-situated individuals receive the same services.

Benefits under this broader interpretation cannot be solely or primarily used for cosmetic, comfort, general use, or social determinant purposes.

Examples of These Benefits:

- Adult Day Care Services (Adult Day Health Services)
- Home-Based Palliative Care
- In-Home Support Services
- Support for Caregivers of Enrollees
- Therapeutic Massage

Sources: CMS Announcement of Calendar Year (CY) 2019 Medicare Advantage Capitation Rates and Medicare Advantage and Part D Payment Policies and Final Call Letter; April 2018 CMS Guidance.

Requirements for Special Supplemental Benefits for the Chronically Ill (SSBCI):

SSBCI must “Have a reasonable expectation of improving or maintaining the health or overall function of the chronically ill enrollee.”

A chronically ill enrollee is defined as an enrollee who:

- “Has one or more comorbid and medically complex chronic conditions that is life threatening or significantly limits the overall health or function of the enrollee;
- Has a high risk of hospitalization or other adverse health outcomes; and
- Requires intensive care coordination.”

Other Considerations for These Benefits:

Statute also gives plans the authority to waive uniformity requirements for these benefits, meaning that they can be targeted to each beneficiary’s individualized need.

Examples of These Benefits:

- Food and Produce
- Meals (beyond limited basis)
- Pest Control
- Transportation for Non-Medical Needs
- Indoor Air Quality Equipment and Services
- Social Needs Benefit
- Services Supporting Self-Direction

Sources: Bipartisan Budget Act of 2018; April 2019 CMS Guidance.

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