



Advancing Non-Medical Supplemental Benefits in Medicare Advantage: Considerations and Opportunities for Policymakers

As new, non-medical supplemental benefits in Medicare Advantage (MA) plans continue to be offered by more plans over time, Medicare Advantage Organizations (MAOs), providers, policymakers and other stakeholders must work together to ensure these benefits succeed. Seeking to advance these new, non-medical supplemental benefits, a group of national experts (addressed as the “*Special Supplemental Benefits for the Chronically Ill (SSBCI) Leadership Circle*”) developed a set of *Guiding Principles* for these new benefits. Building on this work, this Policy Brief provides context on MA plan considerations for the inclusion of non-medical supplemental benefits in their 2021 bids and identifies short- and long-term policy opportunities to enhance the availability of non-medical supplemental benefits to Medicare beneficiaries.

The guiding principles are:

- ▶ **Core Principle:**
SSBCI Reflect Individual Needs
- ▶ **Balancing Principle 1:**
SSBCI Are Clear and Understandable
- ▶ **Balancing Principle 2:**
SSBCI Are Equitable
- ▶ **Balancing Principle 3:**
SSBCI Are Manageable and Sustainable
- ▶ **Balancing Principle 4:**
SSBCI Evolve with Continuous Learning and Improvement

Please see **Appendices A and B** for full framework and descriptions.

Considerations and Opportunities for Policymakers

Executive Summary

The purpose of this policy brief is to:

1. Provide context on **plan considerations** for the 2021 Bid Process and inclusion of non-medical supplemental benefits in Medicare Advantage (MA) plans; and
2. Highlight **short- and long-term policy opportunities** to enhance the availability of non-medical supplemental benefits to Medicare beneficiaries and to increase benefit utilization.

Background

- In 2020, MA plans have unprecedented flexibility to offer non-medical supplemental benefits to members due to both the expanded definition of “primarily health-related” benefits (expanded PHRB) and the creation of Special Supplemental Benefits for the Chronically Ill (SSBCI).
- First available in 2019 and 2020 respectively, expanded PHRB and SSBCI continue to be offered by more plans over time. The number of MA plans offering an expanded PHRB has increased from 499 plans in 2020 to 737 plans in 2021. For SSBCI, the number of MA plans increased from 245 plans in 2020 to approximately 920 plans in 2021.

Top Plan Considerations and Challenges in Offering New Benefits

- There are five key areas where Medicare Advantage Organizations (MAOs) encountered barriers that impeded their ability to offer and deliver non-medical supplemental benefits: **lack of clarity around benefit eligibility, lack of consumer awareness and understanding, timing of guidance from the Centers for Medicare and Medicaid Services (CMS), sustainability concerns, and limited experience contracting with non-traditional providers.**
- Additional factors influencing MAOs’ decisions around offering and designing benefits included the MAOs’ internal culture and benefit marketability.

Policy Opportunities

Based on these key considerations, several short- and long-term policy opportunities were identified to advance the availability of non-medical supplemental benefits to Medicare beneficiaries and to increase benefit utilization (**Table 1**). Future considerations for expansion of non-medical supplemental benefits include offering them as a preventive benefit to address health needs and/or social risk factors and pilot testing promising benefits in Medicare Fee-For-Service (FFS) value-based models.

Table 1. Policy Opportunities for Advancing Non-Medical Supplemental Benefits

Short-Term Policy Opportunities for CMS	
 Provide more clarity and technical assistance for MAOs on allowable benefits and targeting criteria	An immediate opportunity for policymakers to accelerate plan take-up of SSBCI is to 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	Medicare beneficiaries do not have sufficiently clear and accessible information about these new benefits. With clear guidance from CMS on how these benefits can be marketed as well as improved information on Medicare Plan Finder, plans can do more to educate potential members on which non-medical benefits are available to them.
 Release guidance around non-medical supplemental benefits earlier	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 of non-medical benefits	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 actionable steps and tactics to overcome roadblocks and deliver new benefits, see the “For Plans and Providers” section [here](#). See the “For Policymakers” section to read the full policy brief.