

# OHIC NATIONAL CONFERENCE

July 15–18, 2024 | New Orleans, Louisiana

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## Understanding the Value of Nonmedical Supplemental Benefits in Medicare Advantage

Claire Cruse, Director, ATI Advisory

Joseph June, Analyst, ATI Advisory

July 17, 2024

Introductions

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Overview of Nonmedical Supplemental Benefits

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ATI and The SCAN Foundation's Research

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Discussion

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# Introduction and Remarks from The SCAN Foundation

Kali Peterson

Program Officer

The SCAN Foundation

# Speakers

Claire Cruse, Director, ATI Advisory

Joseph June, Analyst, ATI Advisory

## ATI Advisory





## Question to the Audience



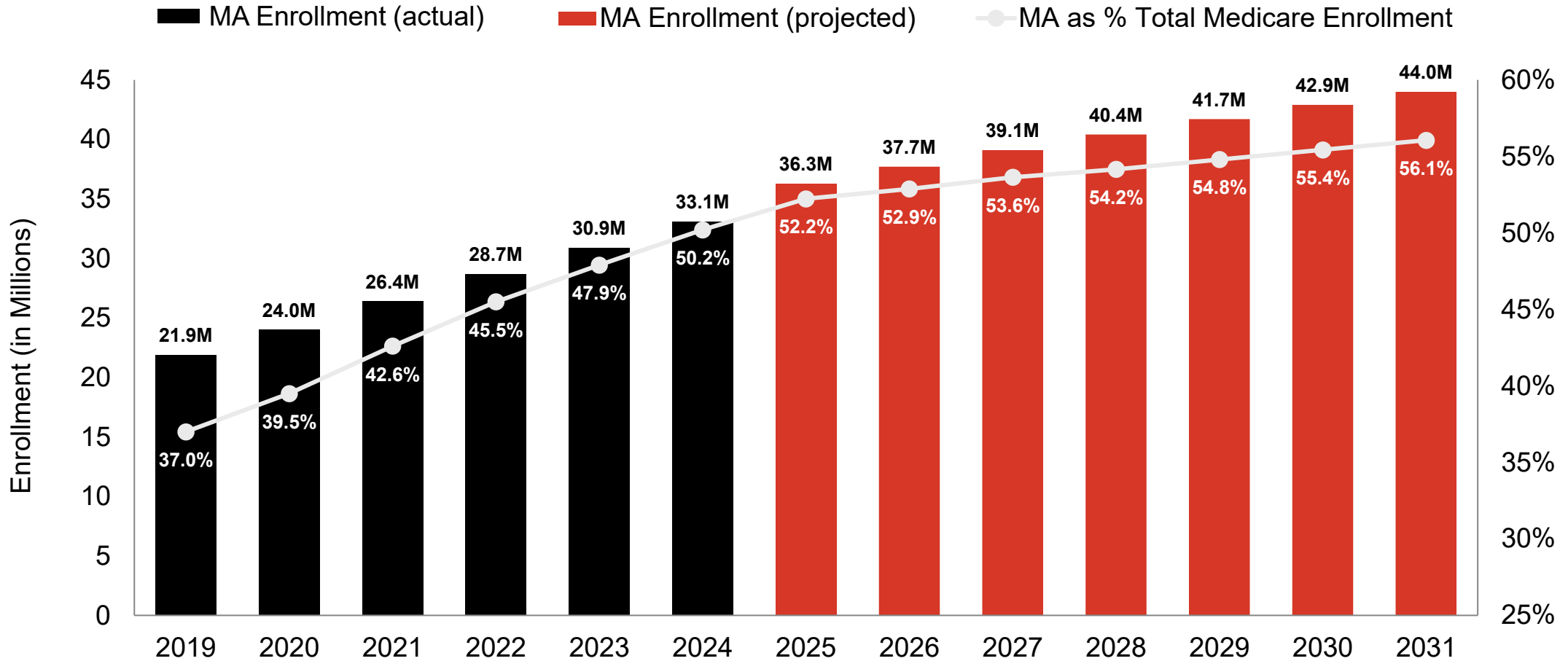
**By a show of hands, who has  
joined us for our session today?**

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# Overview of Nonmedical Supplemental Benefits

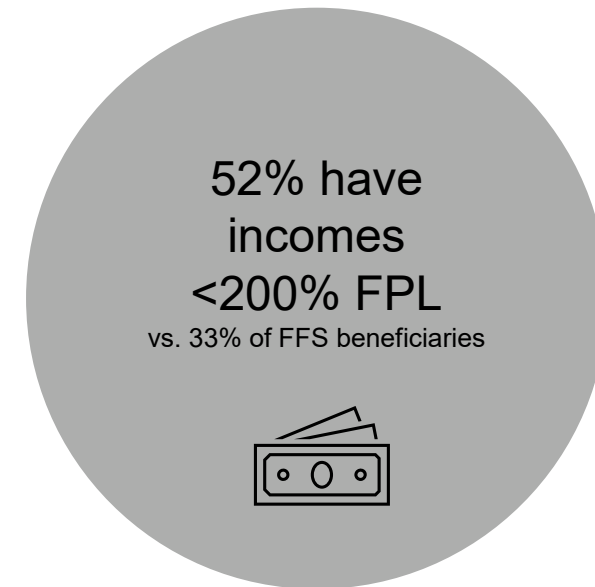
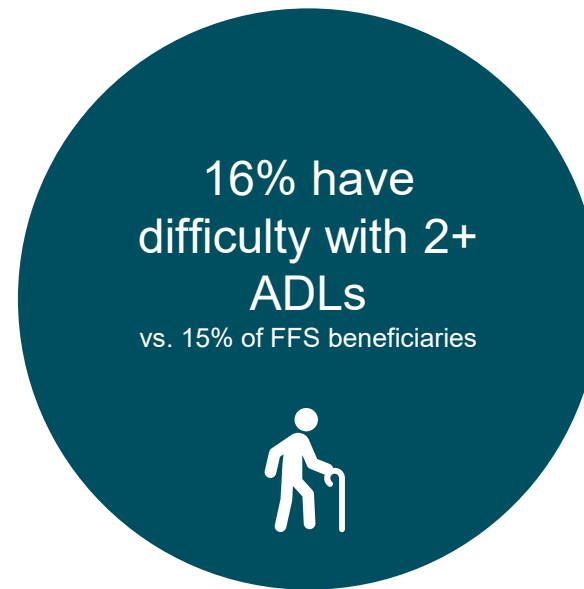
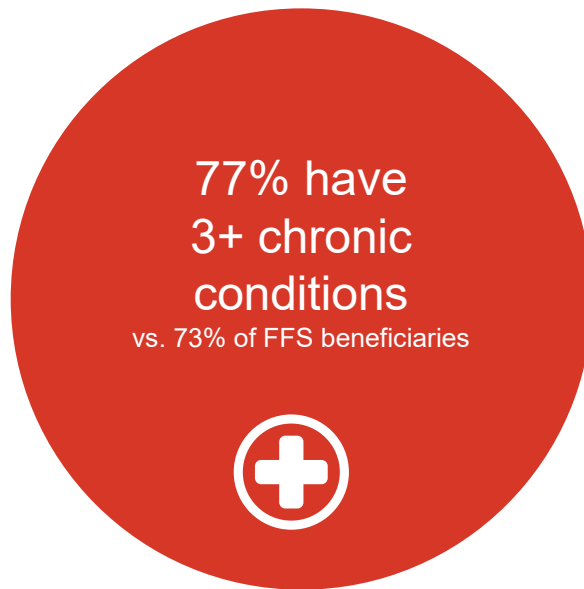
# MEDICARE ADVANTAGE GROWTH NOW OVER 50% PENETRATION IN 2024

## Historic and Projected Enrollment in Medicare Advantage, 2019-2031



Source(s): CMS' Monthly Enrollment by State files (February 2019-2024). Includes enrollment includes all beneficiaries, including those enrolled in Part A or Part B only, in the 50 states, Washington DC, and Puerto Rico. Excludes cost and demo plan types; Projections from the 2024 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds for all 50 states, Washington, DC, and territories.

→ Medicare Advantage (MA) enrollees have similar levels of need and lower incomes compared to Fee-for-Service (FFS) beneficiaries





## SUPPLEMENTAL BENEFIT AUTHORITIES ALLOW FOR ADDITIONAL BENEFITS TO SUPPORT MEDICARE BENEFICIARY NEEDS

- Recognizing the complex needs of Medicare beneficiaries, Congress and CMS expanded supplemental benefit authorities to allow MA plans to support nonmedical and health-related social needs (HRSNs) of Medicare beneficiaries.
- For the first time, MA plans could offer benefits that:
  - support HRSNs by providing limited long-term services and supports (LTSS), and
  - can be targeted to individual needs.
- The SCAN Foundation identified this as a critical opportunity to convene leaders in the field to guide implementation of the law and successful, long-term adoption of the benefits to improve the health of Medicare beneficiaries.

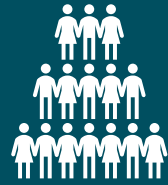
Plans are using multiple authorities to offer these benefits:

- Expanded definition of “primarily health-related” benefits (EPHRB)
- Special Supplemental Benefits for the Chronically Ill (SSBCI)
- The Value-Based Insurance Design (VBID) demonstration
- Uniformity Flexibility (UF)

## THESE BENEFITS HAVE GROWN SIGNIFICANTLY IN SCOPE



Nonmedical supplemental benefits are **offered by 40% of plans**, up from 14% in 2020.



Approximately 10 million beneficiaries are enrolled in plans offering these benefits.



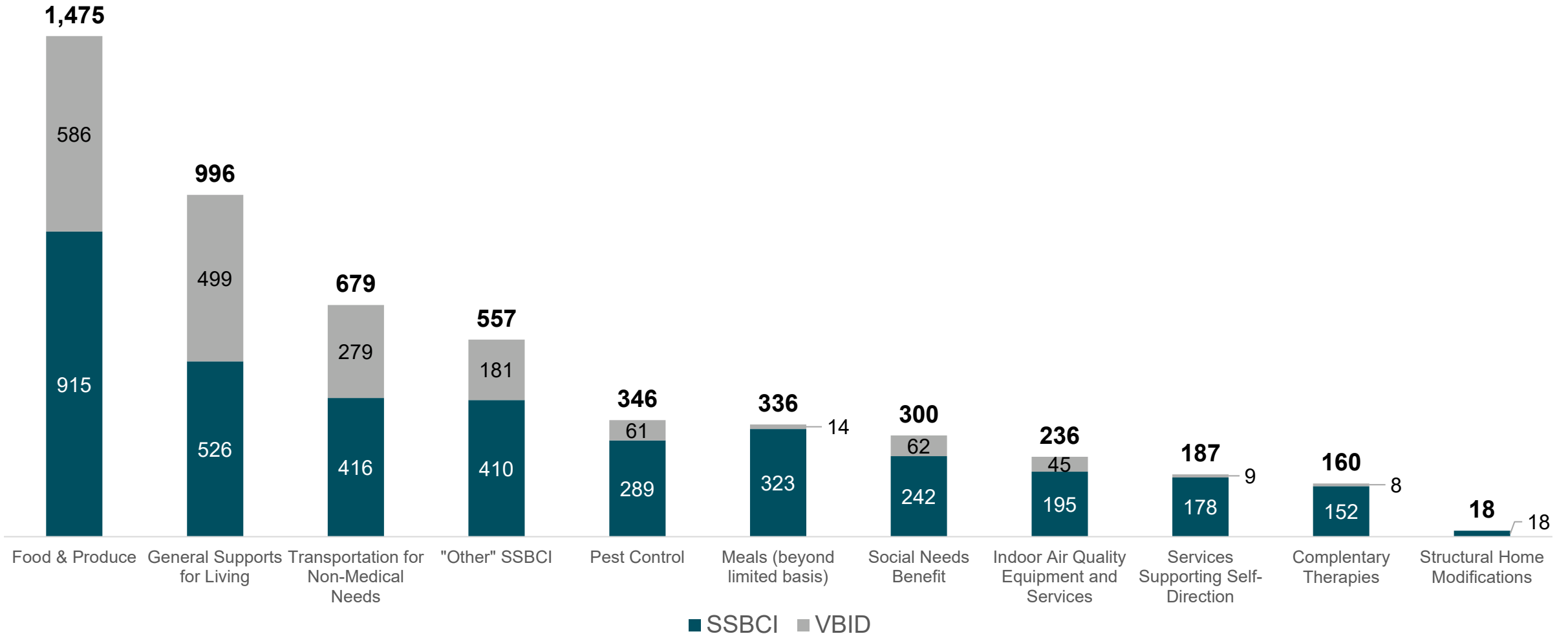
Estimated spending by plans on all Parts A and B supplemental benefits totals ~\$21 billion annually, or \$53 per member per month.<sup>1</sup>

# NONMEDICAL BENEFITS ENCOMPASS A BROAD VARIETY OF SUPPORTS

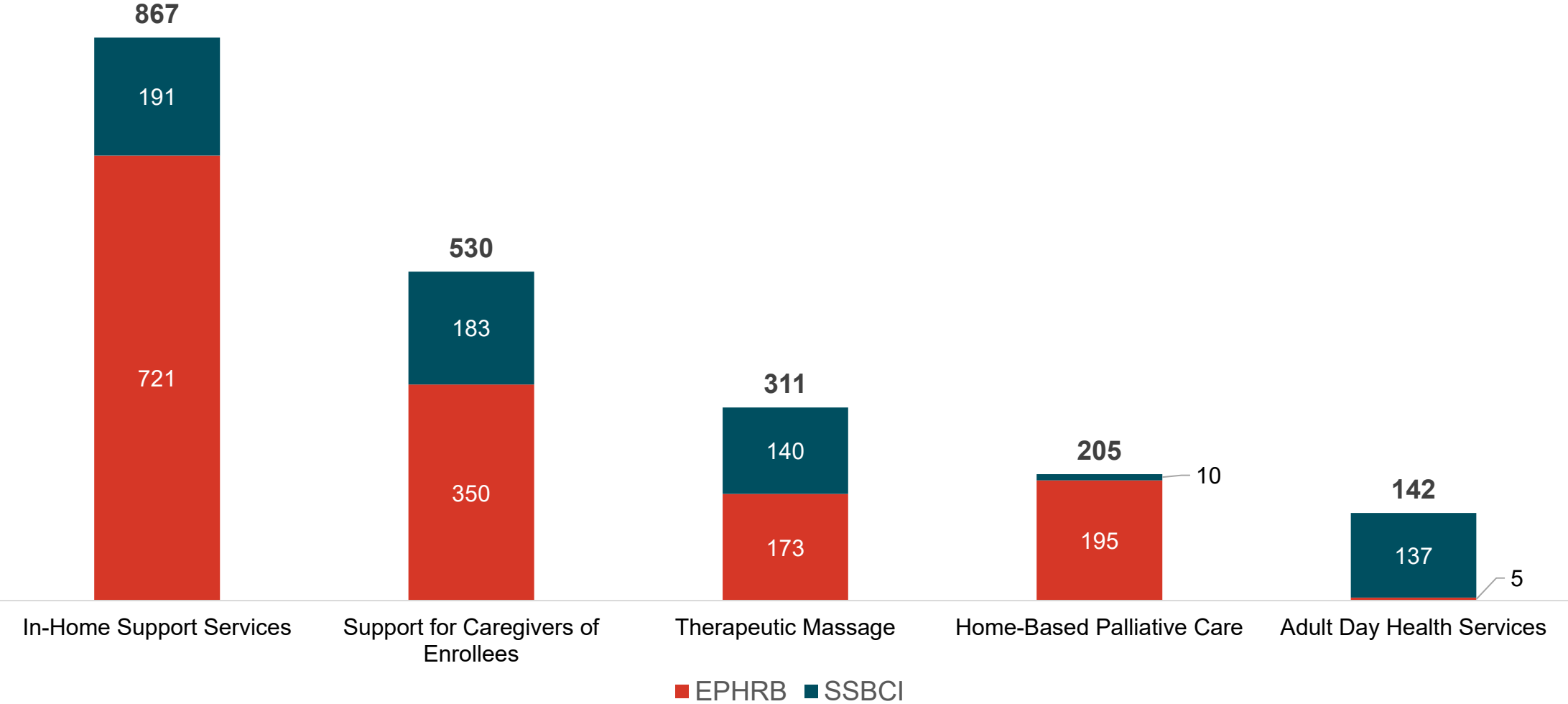
Benefit		Number of Plans Offering in 2020:	Number of Plans Offering in 2021:	Number of Plans Offering in 2022:	Number of Plans Offering in 2023:	Number of Plans Offering in 2024:
Special Supplemental Benefits for the Chronically Ill (SSBCI)	Food and Produce	101	347	879	1,231	1,475
	Meals (beyond limited basis)	71	371	445	462	336
	Pest Control	118	208	367	417	346
	Transportation for Non-Medical Needs	88	177	418	612	679
	Indoor Air Quality Equipment and Services	52	140	166	320	236
	Social Needs Benefit	34	203	266	447	300
	Complementary Therapies	1	0	123	226	160
	Services Supporting Self-Direction	20	96	151	232	187
	Structural Home Modifications	44	42	69	57	18
	General Supports for Living	67	150	332	653	996
	“Other” Non-Primarily Health-Related SSBCI	51	200	387	522	557
<b>TOTAL offering above benefits through SSBCI or VBID authority:</b>		<b>245</b>	<b>815</b>	<b>1,126</b>	<b>1,580</b>	<b>1,732</b>
Expanded Definition of Primarily-Health Related Benefit (EPHRB)	Therapeutic Massage	234	260	306	386	311
	Adult Day Health Services	85	128	174	241	142
	Home-Based Palliative Care	64	156	170	180	205
	In-Home Support Services	283	488	929	1,308	867
	Support for Caregivers of Enrollees	134	105	335	556	530
	<b>TOTAL offering above benefits through EPHRB, SSBCI, or VBID authority:</b>		<b>571</b>	<b>897</b>	<b>1,247</b>	<b>1,664</b>
<b>TOTAL offering an EPHRB and/or SSBCI Benefit</b>		<b>628 (14%)</b>	<b>1,278 (26%)</b>	<b>1,825 (34%)</b>	<b>2,268 (40%)</b>	<b>2,334 (40%)</b>
<b>TOTAL MA Plans</b>		<b>4,344</b>	<b>4,906</b>	<b>5,376</b>	<b>5,730</b>	<b>5,786</b>

Source: ATI Advisory analysis of CMS PBP files, excludes EGHPs, PDPs, MMPs, Part B-only plans, and PACE. Analyses capture benefits that are filed under specific variables for the benefits above and do not capture benefits filed under “Other” categories, except for “Other” SSBCI benefits. A plan is the combination of a contract id, plan id, and segment ID. Number of plans include plans offering the specified benefit through EPHRB authority, SSBCI authority, or the VBID model. Totals rows remove duplicate plans and do not equal the sum of the corresponding column.

# NUMBER OF PLANS OFFERING SSBCI BENEFITS BY AUTHORITY USED IN 2024



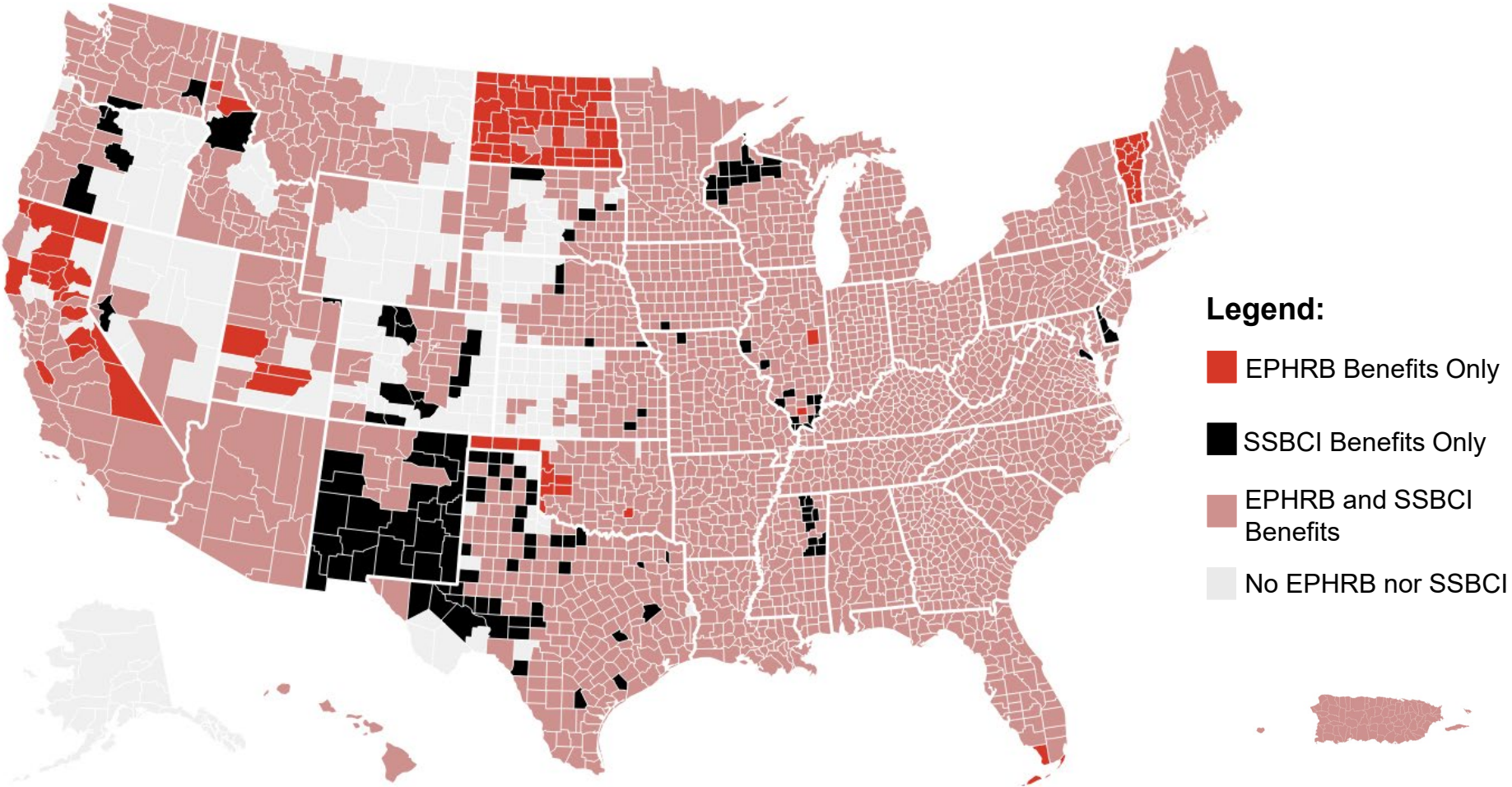
# NUMBER OF PLANS OFFERING EPHRB BENEFITS BY AUTHORITY USED IN 2024



# GEOGRAPHY OF PLANS OFFERING AN EPHRB AND/OR SSBCI BENEFIT IN PLAN YEAR 2024

Number of Plans Offering these Benefits in 2024

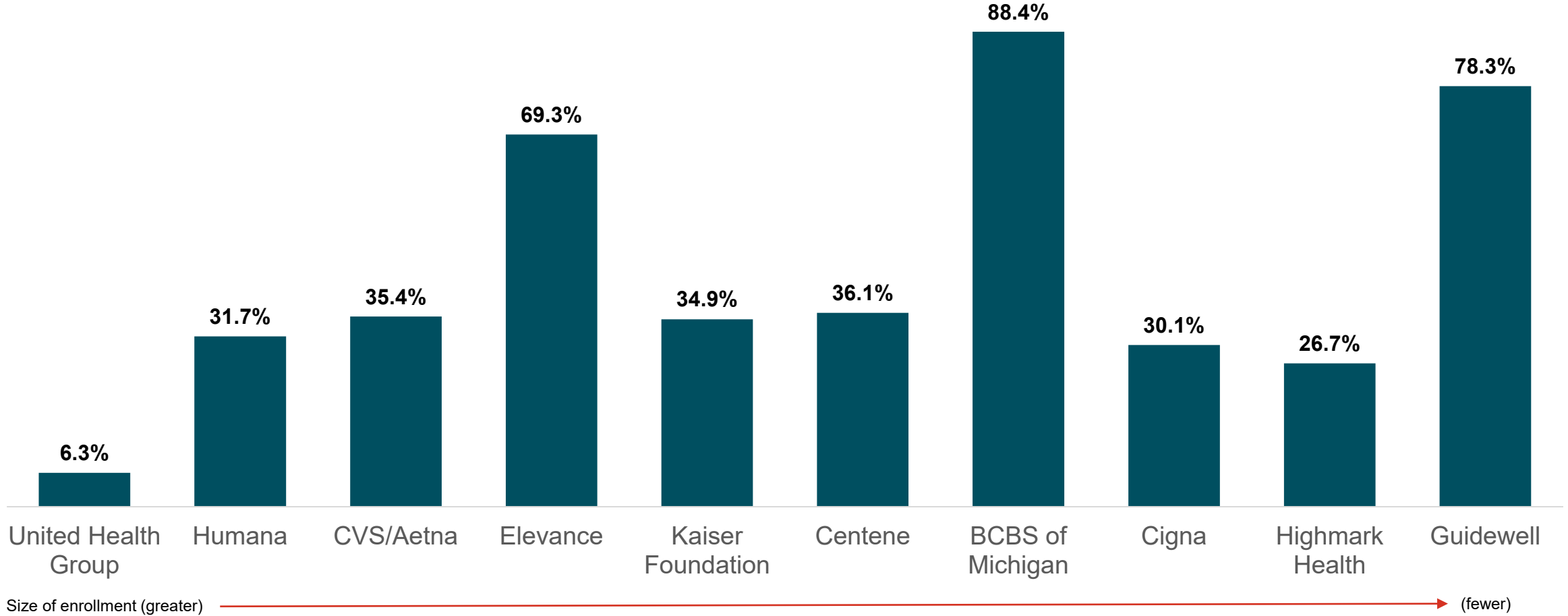
**2,334**



Map of Counties Offering An EPHRB and/or SSBCI Benefit in PY 2024

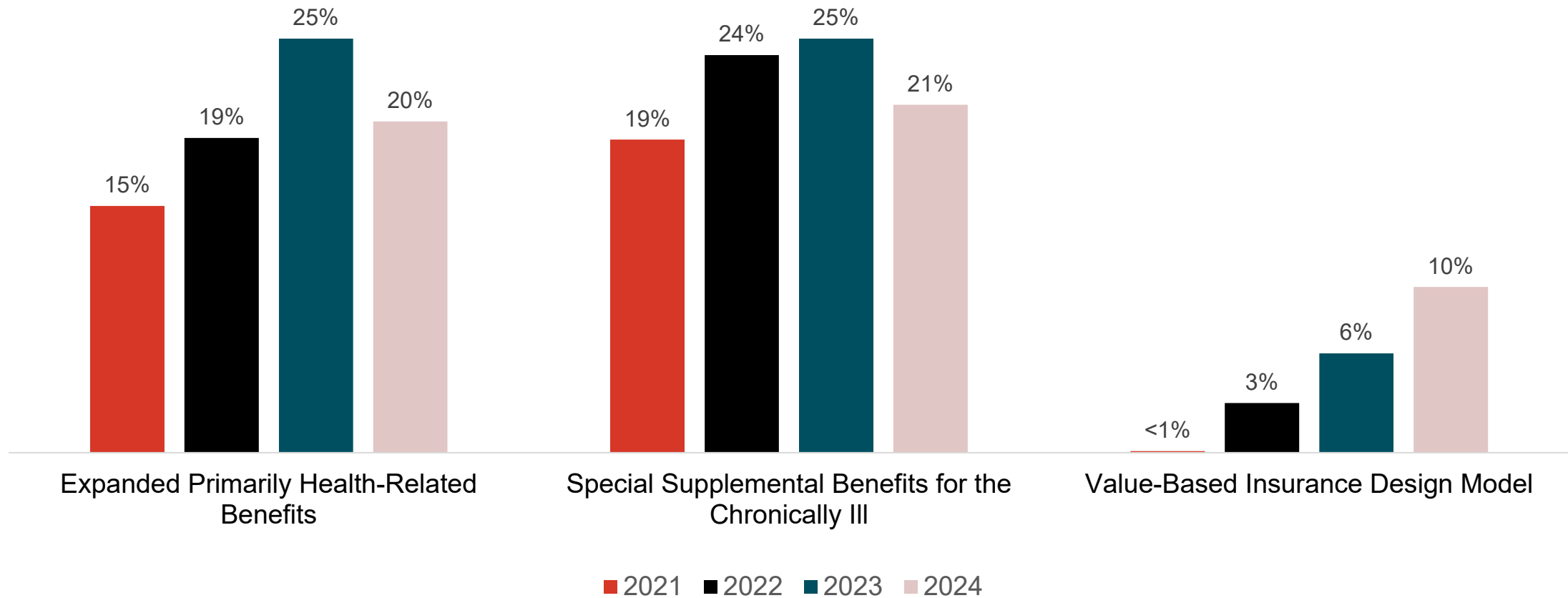
# THERE IS VARIATION IN BENEFIT OFFERINGS AMONG THE TOP 10 LARGEST MAOS

## Proportion of Plans Sold by Ten Largest MAOs Offering at Least One Nonmedical Supplemental Benefit, PY 2024



# WHILE PLANS USING EPHRB AND SSBCI AUTHORITIES SLOWED IN 2024, BENEFITS OFFERED THROUGH THE VBID MODEL CONTINUED TO GROW

## Growth in Percentage of MA Plans Offering Newer, Nonmedical Supplemental Benefits, by Authority, 2021 to 2024





## SPECIAL NEEDS PLANS OFFER NONMEDICAL BENEFITS AT HIGHER RATES THAN GENERAL MA

Plan Type	Number of Plans Offering an NMB in 2024	Proportion of Plans Offering an NMB in 2024
General MA	1,329	30.2%
D-SNP	657	74.3%
C-SNP	279	86.7%
I-SNP	69	39.0%

D-SNP: Dual-Eligible Special Needs Plan; C-SNP: Chronic Condition Special Needs Plan  
I-SNP: Institutional Special Needs Plan

While three-quarters+ of both D- and C-SNPs offer nonmedical benefits, most D-SNPs use the VBID model to offer these benefits and almost all C-SNPs use the SSBCI authority.

# FLEXIBLE ALLOWANCES/CARDS ARE INCREASINGLY POPULAR OFFERINGS

## Humana D-SNP

### \* Healthy Options Allowance

You have a **\$50** monthly allowance on the Humana Spending Account card to use for essentials you need to support your health. This allowance can be used to buy approved products from participating retail locations like:

- Groceries (produce, fruit, bread, meat, dairy, etc.)
- Personal care items (toothpaste, shampoo, body soap, deodorant, etc.)
- OTC health and wellness items (vitamins, first aid, pain relief medicine, incontinence supplies, etc.)
- Home supplies (toilet paper, paper towels, bathroom cleaner, laundry detergent, etc.)
- Household assistive devices (grab bars, raised toilet seats, reaching aids, etc.)
- Pet supplies (pet food, pet litter, flea shampoo, etc.; excludes grooming services, veterinary bills, and pet prescriptions)

This allowance can be used to pay for approved services, such as:

- Monthly living expenses (phone payments, rent/mortgage, utilities, internet, etc.)
- Non-medical transportation costs (public transportation, taxi, Uber, Lyft, etc.)
- Pest control services

## Wellcare D-SNP

### Wellcare Spendables™

You will receive **\$75 monthly** preloaded on your Wellcare Spendables™ card. The maximum benefit is \$900 every year.

- Your monthly allowance **rolls over to the following month if unused and expires at the end of the plan year.**

There is no coinsurance, copayment, or deductible for the Wellcare Spendables™ card.

The allowance amount can be used towards the following benefits:

- Over-the-Counter items (OTC)
- Healthy Food
- Gas pay-at-pump
- Utility Assistance
- Rent Assistance

Shipping is free with a \$35 minimum. There is no minimum requirement for in-store purchases.

## United Healthcare C-SNP



### Food and Over-the-Counter (OTC) Credit

\$148 credit every month to pay for healthy food and OTC products in-store or online

- Buy healthy foods like fruits and vegetables, meat, seafood, dairy products and water
- Choose from thousands of OTC products, like toothpaste, first aid, bladder control pads and more
- Shop at thousands of participating stores, including Walmart, Walgreens, Kroger and CVS, or at neighborhood stores near you

# DESPITE SIGNIFICANT GROWTH IN BENEFIT OFFERINGS, LIMITATIONS ON DATA INHIBIT UNDERSTANDING OF BENEFITS

## Current State

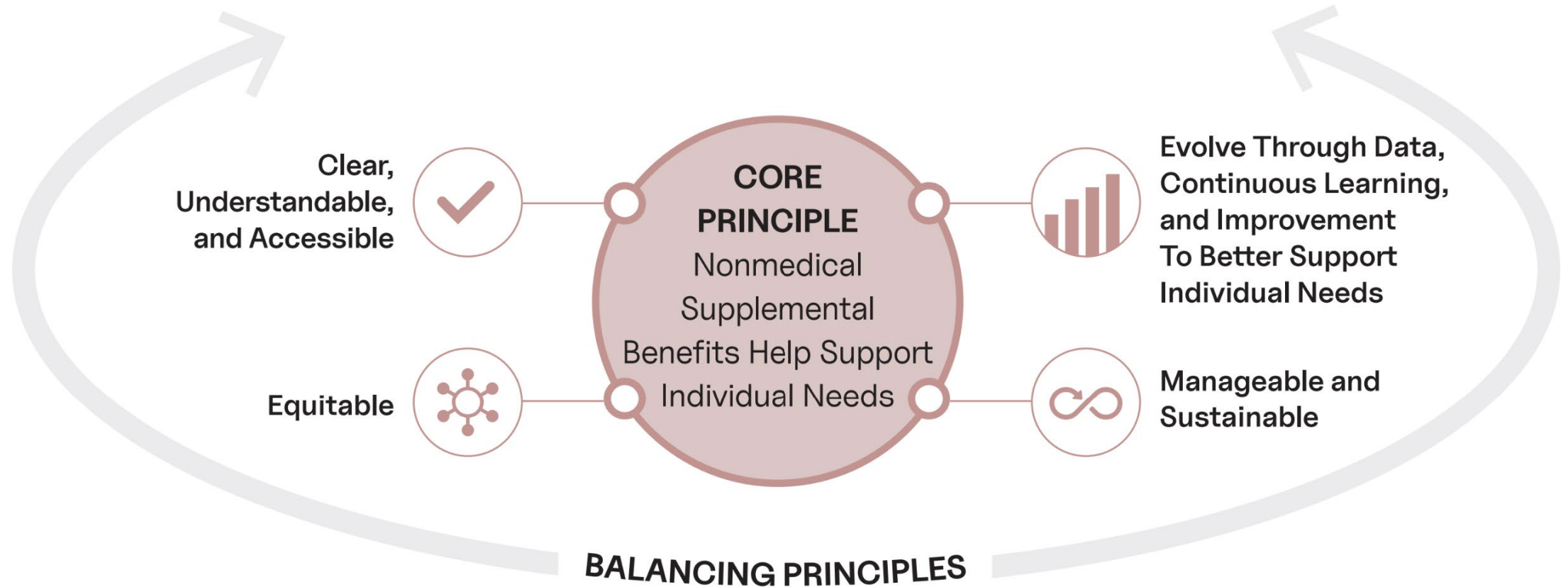
- No publicly available data on benefit use or spending
- Stakeholders widely acknowledge limitations on data inhibit understanding of benefit access, utilization, equity, and value.

## CMS and Congressional Actions

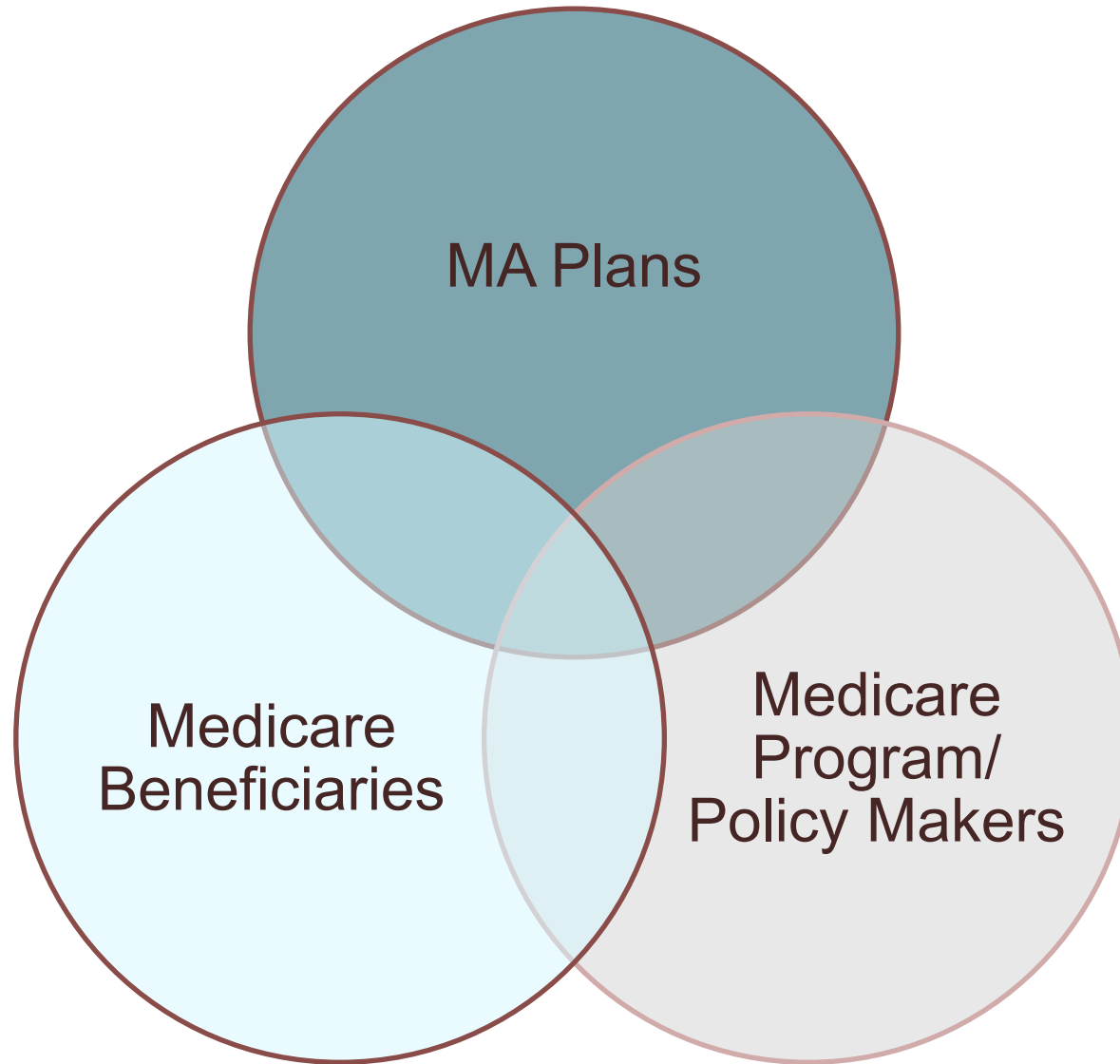
- CMS has created new reporting requirements that will require plans to track and report utilization and costs:
  - Part C reporting requirements for utilization and cost data for each benefit.<sup>1</sup>
  - MLR reporting on costs of benefits.<sup>2</sup>
  - VBID reporting on utilization of each benefit.<sup>3</sup>
  - Mid-year notice to enrollees about unused benefits.<sup>4</sup>
- CMS released an RFI on Jan. 25 requesting feedback on all aspects of data related to MA, including supplemental benefit cost and utilization data.<sup>5</sup>
- Recently-proposed legislation would require enrollee-level data on supplemental benefit eligibility, utilization, and costs and public sharing of data by CMS.<sup>6</sup>

# GUIDING PRINCIPLES FOR NONMEDICAL SUPPLEMENTAL BENEFITS IN MA

Updated in 2024, the Guiding Principles can be used to shape research to better understand the benefits being offered, what they are (and are not), and how well they are working to inform policy and practice.



# ATI ADVISORY AND THE SCAN FOUNDATION'S NEXT PHASE OF RESEARCH: CENTERING THE BENEFICIARY AND UNDERSTANDING BENEFIT VALUE



Goal: Better understand how beneficiaries value benefits and identify opportunities to maximize value for beneficiaries, policy makers, and plans.

→ **Research approach**

- Human-centered design approach
- Beneficiary and counselor interviews
- Theme identification
- Beneficiary focus groups
- Data analysis to examine qualitative findings



## Questions to the Audience



**Are you familiar with any of these  
benefits?  
What kinds of questions do you get  
about these benefits?**

- We would love to talk to you!
- We held two listening sessions earlier in the conference. If you missed them and would be interested in giving us your perspective on this topic or know of other individuals who may have additional perspectives, please reach out.

# Advancing Non-Medical Supplemental Benefits in Medicare Advantage

BACK TO RESOURCES ←



ATI – Work  
AUTHOR – ATI Advisory

02/21/2023

Since 2019, ATI Advisory and the Long-Term Quality Alliance, with support from The SCAN Foundation, have led national efforts to advance person-centered, non-medical supplemental benefits in Medicare Advantage. This resource center provides research and data for plans, providers, beneficiary advocates, policymakers, and other stakeholders to advance understanding and utilization of these benefits. All of our research is guided by the Supplemental Benefits Leadership Circle, a diverse group of experts across plans, providers, academia, and advocacy groups.

## RECENT

Chartbook: 2023 New, Non-Medical Supplemental Benefits in Medicare Advantage

DOWNLOAD

View all MA supplemental benefits analysis and commentary, including reports, data briefs, and chartbooks, at <https://atiadvisory.com/resources/advancing-non-medical-supplemental-benefits-in-medicare-advantage/>



# Thank you!

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