

New Opportunities for Serving Complex Care Populations in Medicare Advantage

Data Analysis by Anne Tumlinson Innovations

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Current Status

- The Medicare Advantage population with complex care needs now mirrors beneficiaries in fee-for-service.
- Health plan members experience functional impairment and other markers of complexity at the same rate as fee-for-service.
- Functional impairment and other markers of complexity, such as chronic conditions, are strongly associated with high health care spending.

The Time Is Now!

- Health plans that adopt care delivery innovations for complex care populations will create value and reduce spending.
- Today, health plans have flexible benefit tools in the Medicare Advantage program.
- The time is now! Plans will need to deploy these tools and adopt innovations to serve a rapidly growing group of members age 75 and older.

Medicare Advantage Now Mirrors Fee-for-Service Complex Care Population

Percentage of Population with Complex Needs (2015)

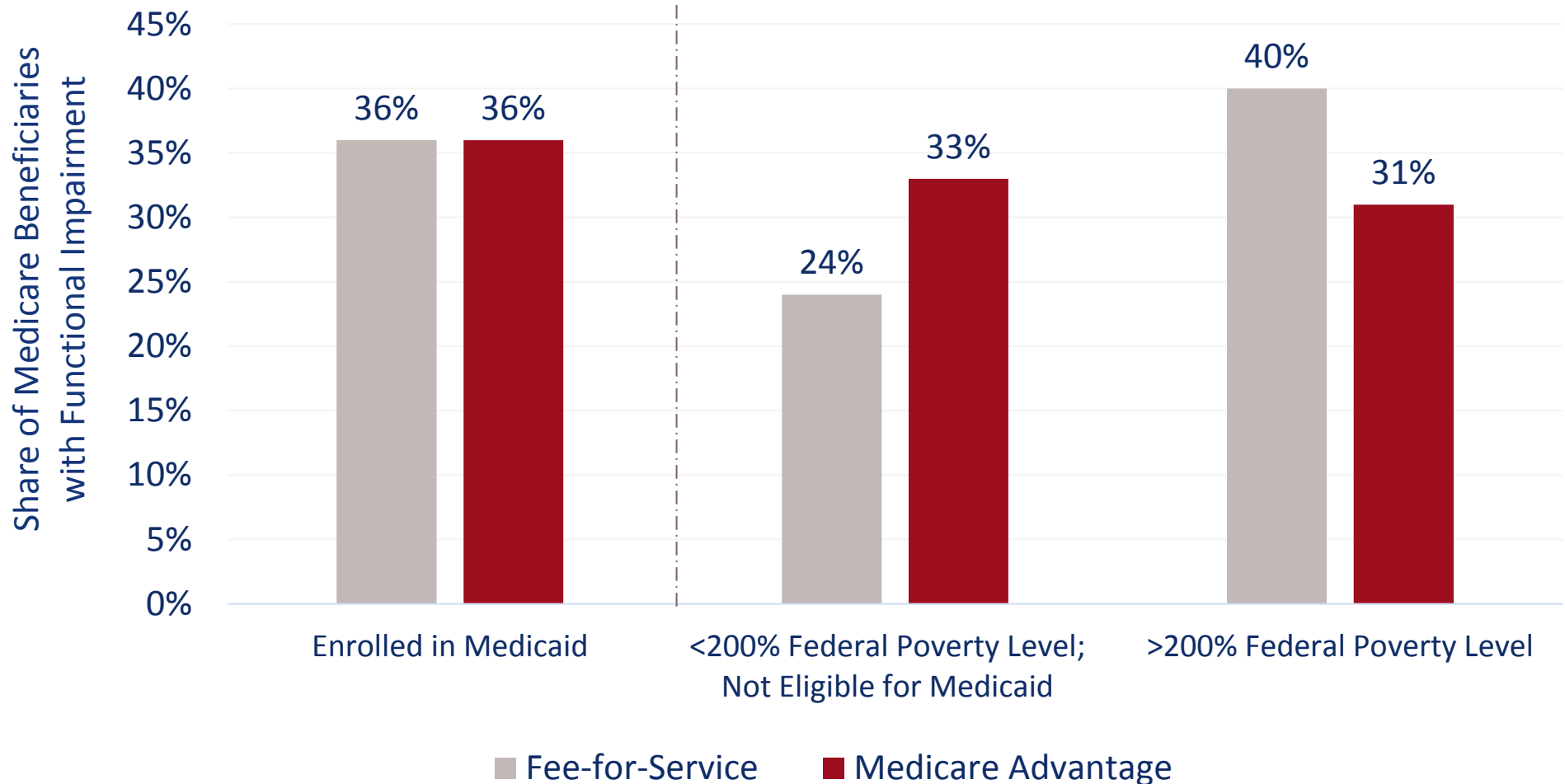
	Medicare Advantage	Medicare Fee-for-Service
Age 75 and Older ¹	38.2%	34.5%
Moderate – Severe Functional Impairment	12%	12%
Cognitive Impairment	7%	7%
Diagnosed with 3+ Chronic Conditions	47%	45%

Functional impairment refers to the need for non-medical supports and services that help with basic activities of daily living like bathing, dressing, and eating. It is highly associated with being age 80 and older and having multiple chronic conditions.

Source: [Anne Tumlinson Innovations](#) analysis of the 2015 Medicare Current Beneficiary Survey. Note: Data is limited to Medicare beneficiaries living in the community and excludes long-stay nursing home residents. 1. America's Health Insurance Plans. Medicare Advantage Demographics Report, 2015. June 2018. Accessed at:

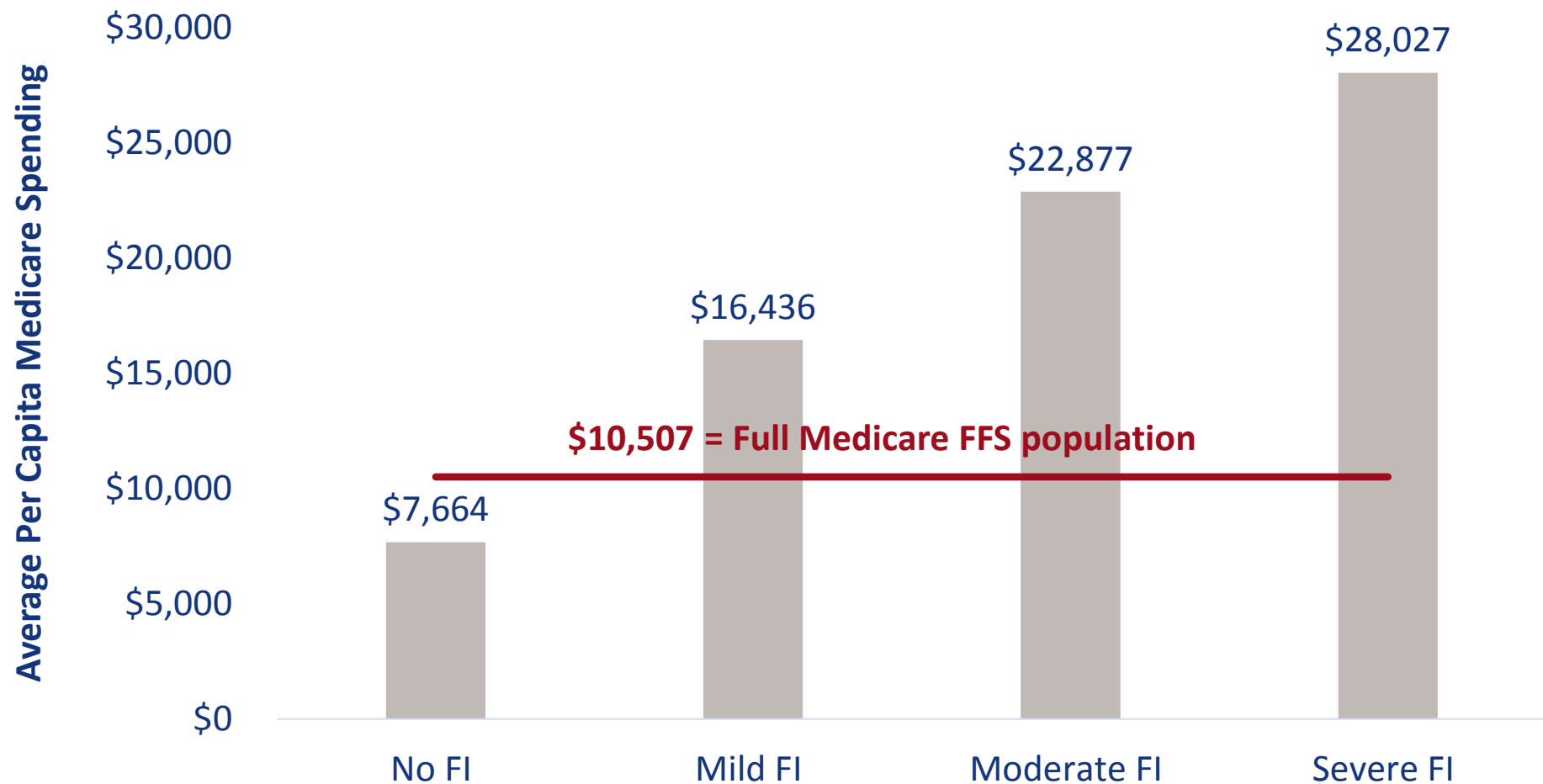
https://www.ahip.org/wpcontent/uploads/2018/06/MADemographics_IssueBrief.pdf.

Most Medicare Beneficiaries with Functional Impairment Do Not Have Medicaid Coverage



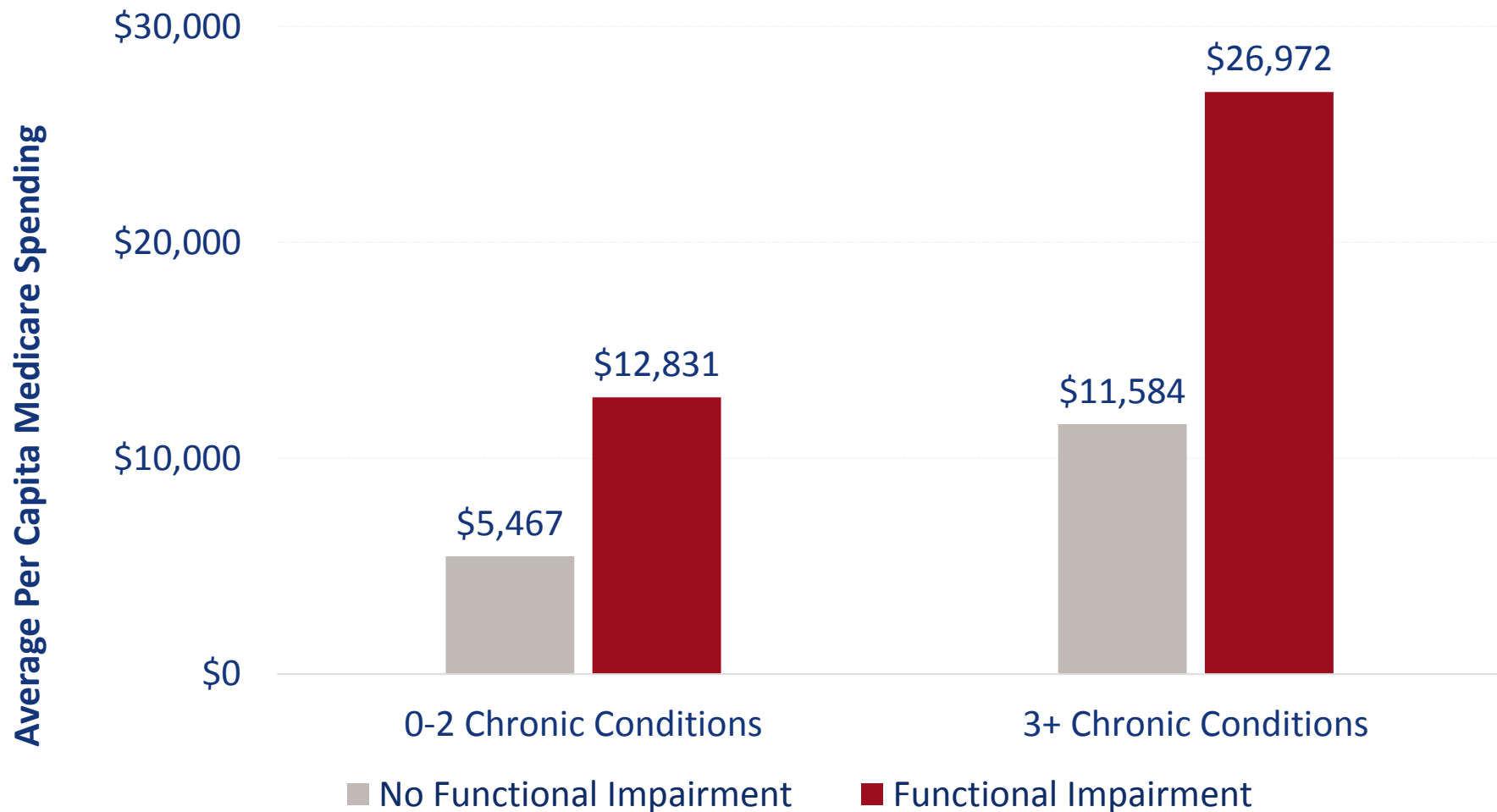
Source: [Anne Tumlinson Innovations](#) analysis of the 2015 Medicare Current Beneficiary Survey. Note: Data is limited to Medicare beneficiaries living in the community and excludes long-stay nursing home residents. Functional impairment in this display is measured at the “moderate” level.

Population with Functional Impairment Associated with High Medical Spending



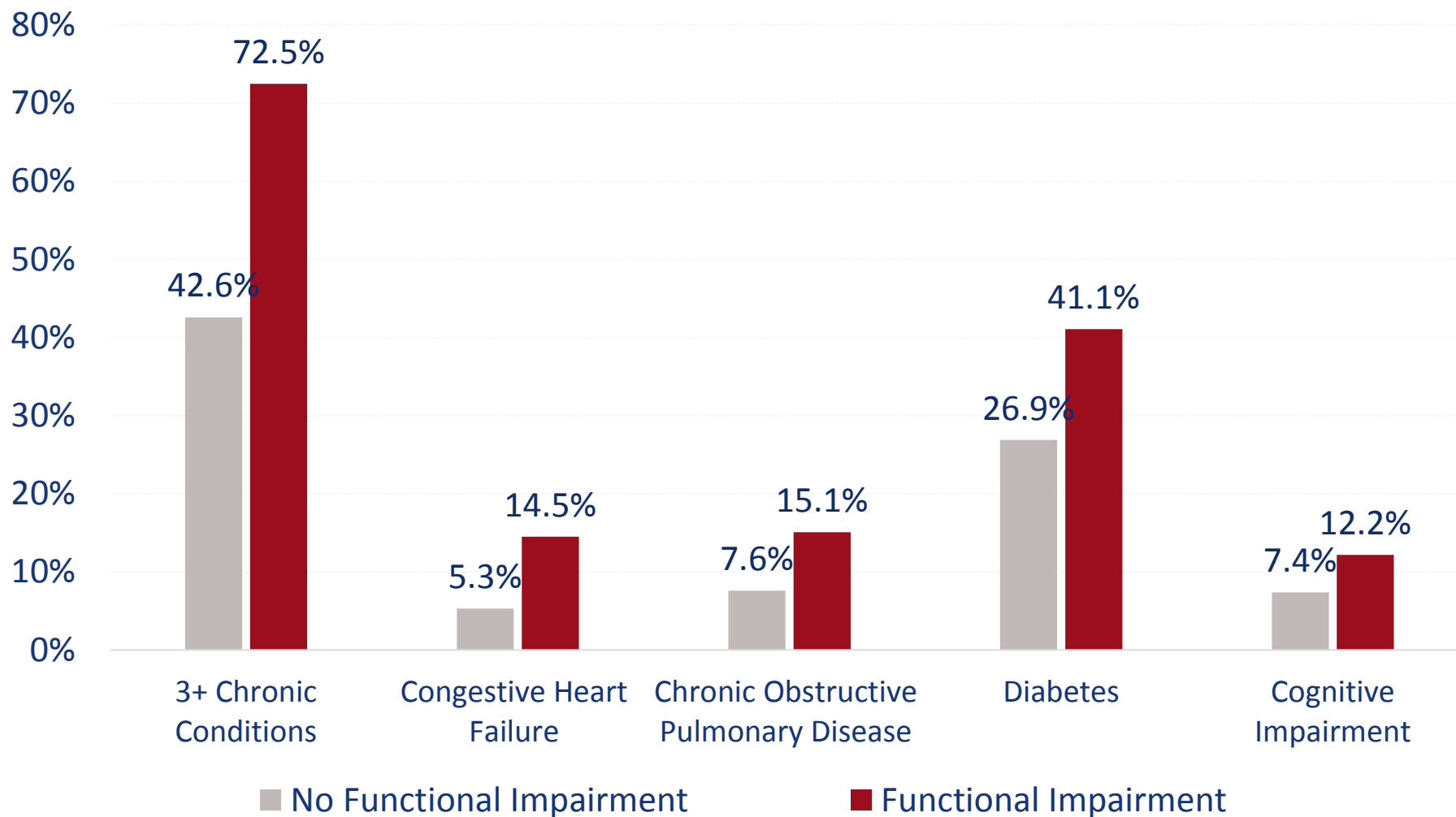
Source: [Anne Tumlinson Innovations](#) analysis of the 2015 Medicare Current Beneficiary Survey. Note: Data is limited to fee-for-service Medicare beneficiaries living in the community and excludes long-stay nursing home residents.

Moderate Functional Impairment Associated with High Spending, Even for 3+ Chronic Conditions



Source: [Anne Tumlinson Innovations](#) analysis of the 2015 Medicare Current Beneficiary Survey. Note: Data is limited to fee-for-service Medicare beneficiaries living in the community and excludes long-stay nursing home residents.

Medicare Advantage Enrollees with Moderate Functional Impairment Have Complex Needs

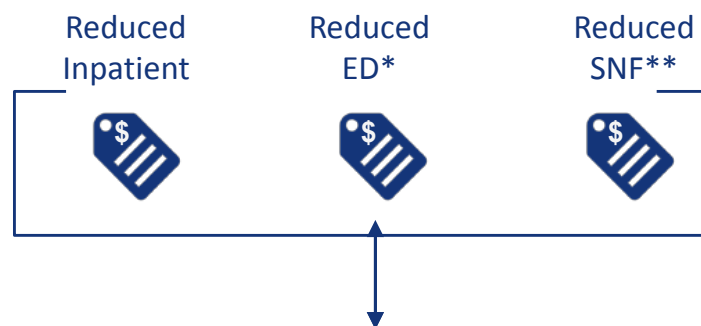


Source: [Anne Tumlinson Innovations](#) analysis of the 2015 Medicare Current Beneficiary Survey. Note: Data is limited to Medicare Advantage beneficiaries living in the community and excludes long-stay nursing home residents.

Medicare Advantage Plans Are Exploring Innovative Delivery Models for Complex Populations

RE-DEPLOYING HEALTH CARE COST 

TO DELIVER VALUE TO MEMBERS



CHARACTERISTICS:

1. Volume-based care
2. High hospitalization and ED rates
3. Shorter life span, greater use of nursing home at end of life
4. Frustrated patients and families

TOOLS TO ACHIEVE:

1. Enhanced primary care
2. Care coordination
3. Technology and applied data
4. Drug management
5. Targeted non-medical interventions

POSITIVE QUALITY OUTCOMES:

1. Clinical outcomes
2. Patient preferences
3. Social support outcomes
4. Caregiver support
5. Longer lives

Source: [Anne Tumlinson Innovations](#)

*Emergency department;


**Skilled nursing facilities

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Medicare Advantage Plans Now Have More Tools to Serve Complex Care Population

The Centers for Medicare & Medicaid Services (CMS) expands definition of primarily health related for supplemental benefits and allows targeting to high-need enrollees, beginning in 2019

Congress passes the *CHRONIC Care Act* as part of *Bipartisan Budget Act of 2018*



CMS announces that 270 plans are offering expanded benefits to 1.5M enrollees

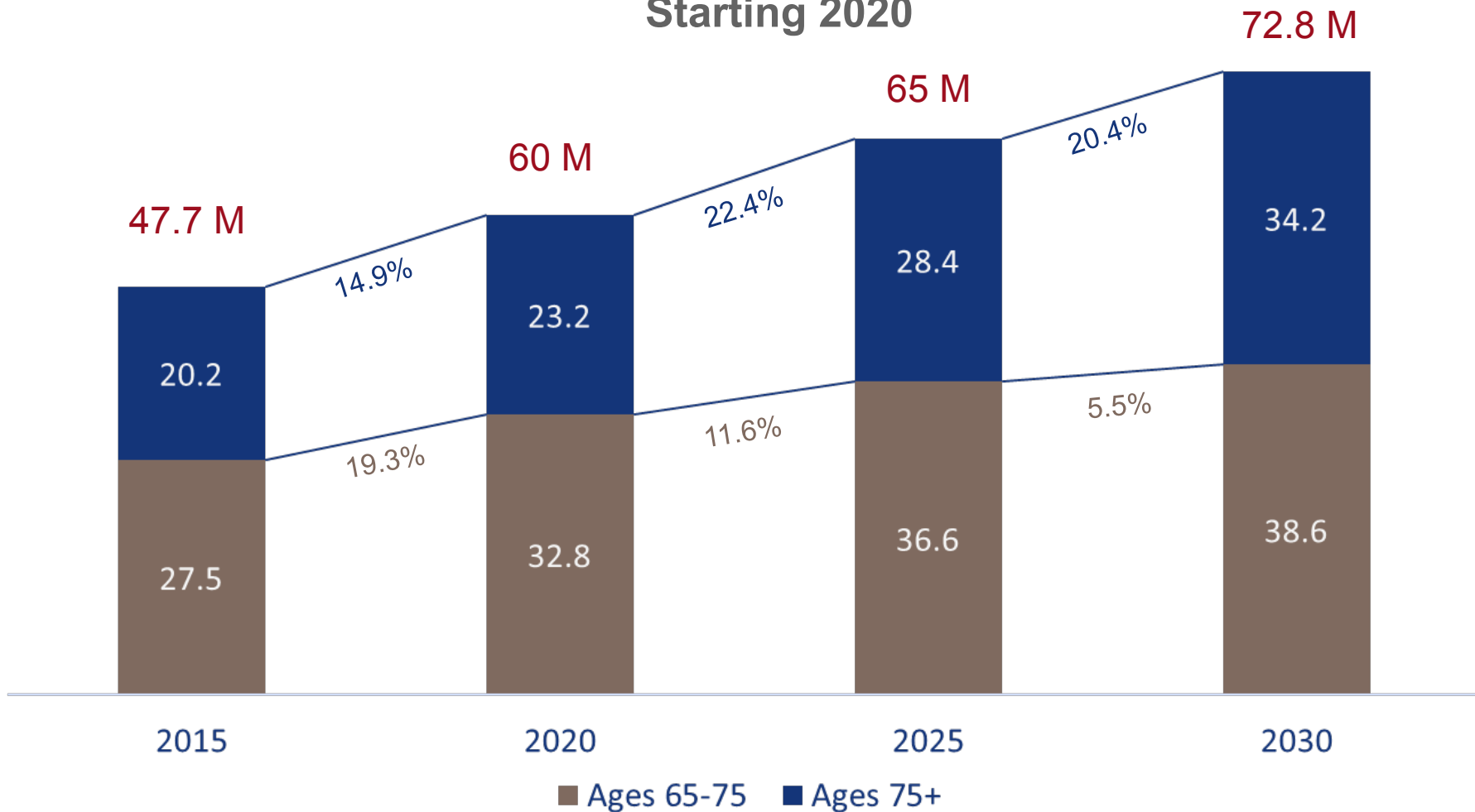


Opportunity for more innovative benefit design as CMS implements *CHRONIC Care Act*

Medicare Advantage plans can meet individual needs for non-medical supports and services, reduce health care costs, and create integrated systems of care delivery.

The Time Is Now For Plans To Accelerate Innovation

75+ Growing Fastest Among U.S. Population Ages 65 and Older, Starting 2020



Source: [Anne Tumlinson Innovations](#)

Methodology

- The research firm, Anne Tumlinson Innovations (ATI) produced the data in this presentation. For more information, contact info@annetumlinson.com.
- This analysis uses the 2015 Medicare Current Beneficiary Survey (MCBS). Descriptive data was available for the full Medicare population (i.e., those enrolled in fee-for-service Medicare and Medicare Advantage), but spending data is limited to fee-for-service enrollees.
- This analysis includes Medicare beneficiaries of all ages, including disabled individuals younger than 65, and includes individuals who died during the study year. Long-stay nursing home residents are excluded. In 2015, 1.9 million Medicare beneficiaries were long-stay nursing home residents.
- “Moderate” Functional Impairment is defined as needing help with one or more activities of daily living (ADLs). We used six ADLs: eating, bathing or showering, dressing, getting in and out of bed or a chair (transferring), using the toilet, and walking across the room. In 2015, 6.6 million Medicare beneficiaries living in the community had Moderate FI.

In using these displays, we ask that you use the following attribution:

Anne Tumlinson Innovations analysis of the 2015 Medicare Current Beneficiary Survey, funded by The SCAN Foundation.

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Our Mission:

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