

 **CMS**  
CENTER FOR MEDICARE & MEDICAID SERVICES

**The State of Medicare Advantage  
2019**

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Centers for Medicare & Medicaid Services  
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**2019 – A Year of Growth**

- Access remains strong and stable
- Enrollment is growing
- Benefit offerings are expanding

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**Access to MA Nationwide Remains Strong**

2018                      2019



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**Expanded Supplemental Benefits & Flexibilities**

- About 160 plans are providing access to expanded health related supplemental benefits
  - Adult Day Health Services
  - Home Based Services
  - Caregiver Support
- 113 plans are offering benefits at reduced cost sharing and/or additional benefits for enrollees with certain health conditions
  - Diabetes
  - Congestive Heart Failure
  - Cardiovascular Disorders

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**Protecting Enrollees Thru Surveillance & Compliance**

- Annual ANOC/EOC Timeliness and Accuracy Review
- Summary of Benefits Retrospective Review
- Retrospective Review of Advertising Materials
- Accuracy of Online Provider Directories
- Ensuring Compliance with Network Adequacy Standards

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**Significant Changes Impacting Marketing**

Regulatory Changes

- Updated the regulatory definition of marketing
- Developed and defined a new term: "communications"

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**Significant Changes Impacting Marketing (continued)**

*A Closer Look at the New Definition – When is an Activity or Material Considered Marketing?*

To be marketing, a material or activity must meet both the intent and content standards (if not, it's communication):

- Marketing's **intent**
- Marketing's **content**

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**Significant Changes Impacting Marketing (continued)**

Based on the regulatory changes, CMS replaced the MMG with the Medicare Communications and Marketing Guidelines (MCMG). Notable changes include:

- The majority of materials that fall under communications do not require submission/review by CMS
- Direct plan comparisons are now permitted
- Plans may market through e-mail
- More flexibility for what materials and activities may take place at educational events
- More flexibility for provider-initiated activities
- Allow for certain required materials to be made available electronically versus mailing paper copies (e.g., EOC, Provider/Pharmacy Directory, and Formularies)

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**Provider Directory Update**

- We have concluded our third year of online provider directory
- Based on these results, we will continue to perform reviews of provider directories
- Plans must continue to work to achieve accurate provider directories
- In addition CMS is looking at the potential of using of internal systems, such as NPPES, to function as a single "source of truth"

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**Ensuring Access to Services**

- Network Consultation
  - All organizations have the ability to consult with CMS on networks prior to formal network reviews.
    - CMS gives priority to organizations selected for a formal review in June.
    - Organizations may submit exceptions to CMS for an informal review as part of consultation.

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**Ensuring Access to Services**

- Network Reviews
  - Beginning January 10, 2018, CMS reviews an organization's contract-level network at least once every three years (OMB Control Number: CMS-10636, OMB 0938-1346).
    - Formal network reviews occur in June.
    - CMS notifies organizations of their selection for the review at least 60 days prior to the June network submission deadline.
  - Networks are also reviewed based on triggering events (e.g., provider terminations and service area expansion applications).
  - Organizations that fail to meet network adequacy standards are subject to compliance actions.

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**Ensuring Access to Services**

- MA Applications
  - CMS will review the networks of MA Plan applicants in June following the approval of initial or SAE applications.
    - As of January 10, 2018, the review of contracted networks is no longer part of the application process (OMB Control Number: CMS-10636, OMB 0938-1346).
  - Initial applicants that are found to have failures during our June review will be suppressed from Medicare Plan Finder during the upcoming Annual Open Enrollment Period.
  - These applicants will need to resubmit their networks for CMS review and have to meet network adequacy by January 1 or face potential compliance action.

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**Step Therapy for Part B Drugs in Medicare Advantage**

- CMS will allow MA plans to negotiate for Part B drugs in a way that lowers costs and improves the quality of care through "step therapy"
- Step therapy is when a beneficiary starts on a preferred, often more cost-effective, drug therapy and then only progresses to other therapies if the initial treatment is ineffective
- MA plans may choose to offer the step therapy option beginning January 2019
- MA plans that also offer a Part D benefit will be allowed to cross-manage their Part B and Part D benefits so that may be required to receive a Part D drug before they can progress to the Part B drug

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**Step Therapy for Part B Drugs in Medicare Advantage (continued)**

- Plans must pass on more than half of the savings from this new approach to participating beneficiaries in the form of rewards and incentives.
- Beneficiary Protections
  - MA plans still be required to cover all medically necessary Part B drugs
  - Beneficiaries will be able to apply for exceptions to step therapy requirements based on clinical needs (right to appeal if request denied)
  - MA plans must disclose that Part B drugs may be subject to step therapy requirements in the ANOC/EOC
  - Applies to new prescriptions only with 108 day look-back period

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**Proposed Regulations (CMS-4185-P) (CMS)**

- Both regulations propose policy changes and updates to modernize the Medicare Advantage and the Prescription Drug Benefit Program for Contract Year 2020
- Changes proposed leverage new authorities provided to CMS in the Bipartisan Budget Act, promote access to care in a more convenient and cost-effective manner for patients, and provide MA and Part D plans more tools to negotiate lower drug prices
- CMS-4185-P displayed on October 26, 2018
  - Comment period closes on December 31, 2018
- CMS-4180-P published on November 30, 2018
  - Comment period closes on January 25, 2019.

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**Questions**

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