
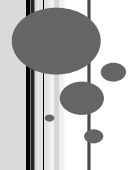


**IMPROVING THE
CUSTOMER
EXPERIENCE**
HHS & CMS STRATEGIC PRIORITIES

2018 Annual Conference
"Celebrating 20 Years of Collaboration"

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December 4, 2018


DISCLAIMER

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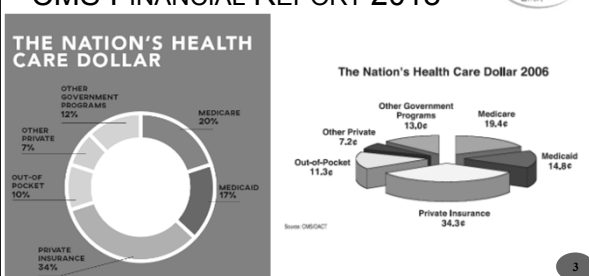
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CMS FINANCIAL REPORT 2018


THE NATION'S HEALTH CARE DOLLAR

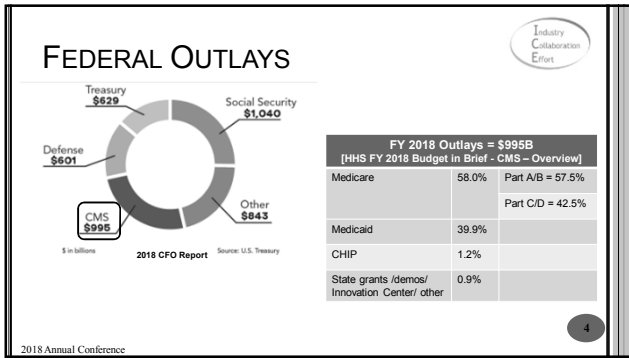
The Nation's Health Care Dollar 2006



Source: OMB/GAO

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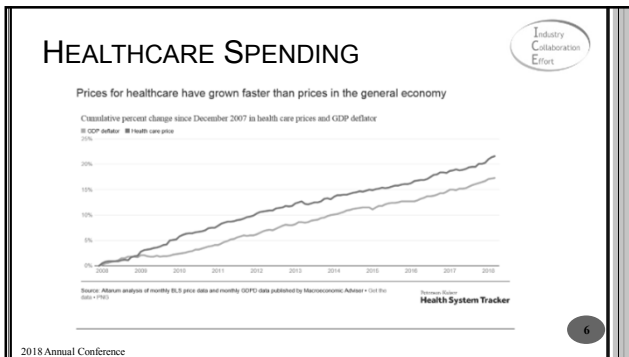


MEDICARE ENROLLMENT

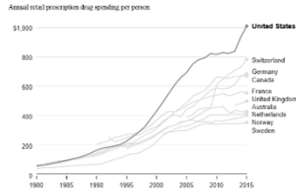
Calendar year	Part A	Part B	Part C	Part D	Total
Historical data:					
1975	20,154	19,498	—	—	39,652
1976	24,481	23,744	—	—	48,225
1977	28,052	27,278	—	—	55,330
1978	30,521	29,869	—	1,271	61,661
1979	33,747	32,887	—	2,077	68,711
1980	37,175	35,841	—	3,487	76,503
1981	39,257	37,335	—	6,956	83,548
1982	42,233	39,752	1,841	7,794	91,620
1983	47,365	43,862	34,772	11,693	137,782
1984	48,549	44,877	35,720	12,352	141,498
1985	50,540	46,477	37,448	13,688	148,153
1986	52,569	47,862	39,103	14,843	154,377
1987	53,768	49,413	40,499	16,243	160,923
1988	55,249	50,783	41,804	17,483	165,319
1989	56,245	52,059	43,217	18,381	169,902
1990	56,035	52,399	44,455	19,813	172,702
Intermediate estimates:					
2018	60,495	54,794	45,738	21,308	182,335
2019	61,118	56,175	47,193	22,319	187,805
2020	62,802	57,795	48,793	23,181	193,571
2021	64,660	59,418	50,379	24,082	200,539
2022	66,600	61,040	51,991	24,972	208,603
2023	68,197	62,887	53,538	25,708	217,330
2024	69,895	64,252	55,004	26,708	225,859
2025	71,623	65,847	56,459	27,549	235,488
2026	73,228	67,427	57,895	28,375	245,925
2027	74,865	68,997	59,324	29,181	256,367
2028	76,285	70,668	60,688	30,180	267,821
2029	77,629	72,325	62,127	31,099	279,180

June 5, 2018
Medicare Trustees Report
Table V.B3. [in thousands]

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INTERNATIONAL COMPARISON OF DRUG SPENDING



Adjusted for the relative purchasing power of different countries. The Netherlands and U.K. figures include prescribed medicines, over-the-counter medications and other medical non-drug goods.

Source: The Commonwealth Fund

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HHS PRIORITIES



<p>The Opioid Crisis + HHS is committed to ending the crisis of opioid addiction and overdose in America.</p> <p>f t g</p>	<p>Health Insurance Reform + HHS is working to improve the availability and affordability of health insurance.</p> <p>f t g</p>
<p>Drug Pricing + HHS is determined to lower the costs of prescription drugs for all Americans without discouraging innovation.</p> <p>f t g</p>	<p>Value-Based Care + HHS is working to transform our system to one that pays for value.</p> <p>f t g</p>

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CMS STRATEGIC GOALS



- Empower patients and doctors to make decisions about their health care.
- Usher in a new era of state flexibility and local leadership.
- Support innovative approaches to improve quality, accessibility, and affordability.
- Improve the CMS customer experience.

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HOSPITAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM (OPPS) & AMBULATORY SURGICAL CENTER (ASC) PAYMENT SYSTEM FINAL RULE WITH COMMENT PERIOD



- ❑ provides seniors more choices / lower cost options
- ❑ lays foundation for a patient-driven healthcare system
- ❑ creates level playing field for providers
- ❑ removes unnecessary / inefficient payment differences
- ❑ utilizes site-neutral payments

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The Innovation Center portfolio aligns with broader CMS goals



	Test alternative payment models
Pay Providers	<ul style="list-style-type: none"> • Accountable Care <ul style="list-style-type: none"> - ACO Investment Model - Pioneer ACO Model - Medicare Shared Savings Program (hosted in Center for Medicare) - Comprehensive ESRD Care Initiative - Next Generation ACO • Primary Care Transformation <ul style="list-style-type: none"> - Comprehensive Primary Care Initiative (CPC-I) / CPC+ - Multi-Payer Advanced Primary Care Practice (MAPCP) Demonstration - Independence at Home Demonstration - Graduate Nurse Education Demonstration - Home Health Value-Based Purchasing - Medicare Care Choices - Frontier Community Health Integration Project
Deliver Care	<ul style="list-style-type: none"> • Medicare Diabetes Prevention Program Expanded Model • Bundled payment models <ul style="list-style-type: none"> - Bundled Payment for Care Improvement Models 1-4 - BPCI Advanced - Oncology Care Model - Comprehensive Care for Joint Replacement • Initiatives Focused on the Medicaid Population <ul style="list-style-type: none"> - Medicaid Incentives for Prevention of Chronic Diseases - Strong Start Initiative - Medicaid Innovation Accelerator Program - Dual Eligible (Medicare-Medicaid) Enrollees - Financial Alignment Initiative - Initiative to Reduce Avoidable Hospitalizations among Nursing Facility Residents • Medicare Advantage (Part C) and Part D <ul style="list-style-type: none"> - Medicare Advantage Value-Based Insurance Design Model - Part D Enhanced Medication Therapy Management
Distribute Information	<ul style="list-style-type: none"> • Support providers and states to improve the delivery of care <ul style="list-style-type: none"> - Learning and Diffusion - Partnership for Patients - Transforming Clinical Practice • Health Care Innovation Awards • Integrated Care for Kids (iCK) Model • Accountable Health Communities • Increase information available for effective informed decision-making by consumers and providers • Information to providers in CMMI models • Shared decision-making required by many models

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Medicare Advantage Value Based Insurance Design Model offers more flexibility to Medicare Advantage Plans



Allows MA plans to structure enrollee cost-sharing and other health plan design elements to encourage enrollees to use clinical services that have the greatest potential to positively impact on enrollee health

- Began on January 1, 2017 and will run for 5 years



Plans in 25 states will be eligible to participate

- Arizona, Indiana, Iowa, Massachusetts, Oregon, Pennsylvania, and Tennessee
- **Starting in 2018:** Alabama, Michigan and Texas
- **Starting in 2019:** California, Colorado, Florida, Georgia, Hawaii, Maine, Minnesota, Montana, New Jersey, New Mexico, North Carolina, North Dakota, South Dakota, Virginia, and West Virginia.

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QUALITY PAYMENT PROGRAM ALL-PAYER COMBINATION OPTION



Payer types that may have payment arrangements that qualify as **Other Payer Advanced APMs** include:

- Title XIX (Medicaid)
- Medicare Health Plans (including Medicare Advantage)
- Payment arrangements aligned with CMS Multi-Payer Models
- Other commercial and private payers

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PRIVATE HEALTH PLAN ENROLLMENT



Calendar year	Local CCP			Regional PPO			Total private health plan Medicare			Ratio of private health plans to total Medicare
	HMO	PPO	PPFD	PFFS	SNP	Other	Total	Total		
2008	5,396	571	212	2,244	1,224	362	10,010	45,500	22.0%	
2009	5,758	847	349	2,433	1,343	373	11,104	46,604	23.8	
2010	6,281	1,285	740	1,674	1,320	412	11,693	47,720	24.5	
2011	6,733	2,192	1,042	602	1,367	447	12,393	48,906	25.3	
2012	7,396	2,852	835	526	1,497	483	13,588	50,874	26.7	
2013	8,045	3,167	949	388	1,768	527	14,843	52,504	28.3	
2014	8,555	3,698	1,040	303	1,990	657	16,243	54,104	30.0	
2015	9,122	4,034	1,018	256	2,085	978	17,493	55,587	31.5	
2016	9,629	4,157	1,085	231	2,230	1,058	18,391	57,090	32.2	
2017	10,252	4,943	1,086	184	2,410	1,137	19,813	58,393	33.9	
2018	10,609	5,376	1,145	190	2,709	1,188	21,306	59,862	35.6	
2019	11,206	5,645	1,199	199	2,859	1,211	22,319	61,495	36.3	
2020	11,685	5,870	1,251	208	2,980	1,188	23,181	63,278	36.6	
2021	12,160	6,092	1,303	216	3,102	1,199	24,062	65,055	37.0	
2022	12,629	6,311	1,354	225	3,222	1,232	24,972	66,855	37.4	
2023	13,086	6,522	1,403	233	3,339	1,273	25,856	68,611	37.7	
2024	13,526	6,725	1,451	241	3,452	1,313	26,708	70,318	38.0	
2025	13,961	6,925	1,499	249	3,564	1,351	27,549	72,058	38.2	
2026	14,389	7,121	1,546	257	3,676	1,388	28,376	73,789	38.5	
2027	14,798	7,307	1,590	264	3,789	1,424	29,161	75,595	38.7	

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2018 Annual Conference June 5, 2018 Medicare Trustees Report, Table IV.C1. [In thousands]

Create a modern, personalized and seamless customer experience



Mobile-friendly services
New applications
More control over Medicare information
eMedicare

"We can't achieve value-based care until we put the patient in the driver's seat of our healthcare system...that requires empowering patients with the data they need to make informed decisions as healthcare consumers (quality data, cost data, patient's own data)."

— CMS Administrator Seema Verma, May 9, 2018, Medicare Advantage and Prescription Drug Plan Spring Conference

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MYHEALTHDATA INITIATIVE: PATIENT CONTROLS ACCESS TO DATA



"While we're on track for healthcare costs to represent one out of every five dollars of American GDP by 2026, it's technology that will help ensure the sustainability of our healthcare system."
- CMS Administrator Seema Verma, November 15, 2018, Alliance for Connected Care Telehealth Policy Forum for Health Systems

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THANK YOU



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