Medicare Health Support Overview

Background:

Chronic conditions are a leading cause of illness, disability, and death among Medicare beneficiaries and account for a disproportionate share of health care expenditures. For example, about 14 percent of Medicare beneficiaries have heart failure, but they account for 43 percent of Medicare spending. About 18 percent of Medicare beneficiaries have diabetes, yet they account for 32 percent of Medicare spending.

Section 721 of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 authorized the development and testing of voluntary chronic care improvement programs, now called Medicare Health Support, to improve the quality of care and life for people living with multiple chronic illnesses. The programs are designed to help participants adhere to their physicians' plans of care and obtain the medical care they need to reduce their health risks.

Medicare Health Support programs are designed to help reduce health risks, improve quality of life, and provide savings to the beneficiaries and to Medicare. Phase I Medicare Health Support programs are being overseen by the Centers for Medicare & Medicaid Services (CMS) and are currently being implemented in six regions by organizations that were chosen through a competitive selection process.

Participants:

Using historical claims data, CMS has identified beneficiaries in the pilot geographic areas who are candidates for Medicare Health Support. These targeted beneficiaries are assigned randomly to either an intervention group or a control group. Those in the intervention group are notified of the opportunity to participate through a letter from the Medicare program. The letter describes the program and gives the beneficiary the opportunity to decline to be contacted by a Medicare Health Support organization if he or she does not want to participate. Participation is voluntary and free to participating beneficiaries. It will not affect beneficiaries' ability to choose their own doctors and other health care providers. Medicare benefits will not change as a result of participation in a Medicare Health Support program.

After the first year of Phase I operations, CMS invited additional beneficiaries to participate, at the request of Medicare Health Support Organizations, in order to offset losses in participants as a result of death or other eligibility reasons.

Phase I and Phase II:

Medicare Health Support is designed as a two-phase initiative. Phase I is a pilot phase that will run for only a three year period. The Phase I programs will each be evaluated through comparison of outcomes for the beneficiaries who were invited to participate and others in the region who were randomly assigned to a comparison group. Phase II is the expansion phase. The Secretary

of Health and Human Services (HHS) has the authority to expand into Phase II, if the results of the independent evaluation specify that a program or program components have met the conditions for expansion. Those conditions include: improvement in the quality of clinical care; improvement in beneficiary satisfaction; and achievement of targets for savings to the program.

Medicare Health Support Phase 1 Programs in Current Operations

Medicare Health Support organizations operating programs and the regions they are serving include:

Aetna Health Management, (1-888-713-2836)—started 9/2005, Northern Illinois-Cook, DuPage, Lake, McHenry, Kane, Will, and Kankakee counties

Healthways, Inc. (1-866-807-4486)—started 8/2005**,** State of Maryland and the District of Columbia

Health Dialog Services Corporation (1-800-574-8475)—started 8/2005, Western Pennsylvania – Forest, Clarion, Jefferson, Clearfield, Butler, Armstrong, Indiana, Cambria, Blair, Bedford, Somerset, Fayette, Westmoreland, Greene, Washington, Alleghany, Mercer, and Beaver counties

CIGNA Health Support (1-866-563-4551)—started 9/2005, Northwest Georgia - Dade, Walker, Catoosa, Whitfield, Murray, Gilmer, Fannin, Union, Towns, Rabun, Chattooga, Gordon, Pickens, Dawson, Lumpkin, White, Habersham, Stephens, Floyd, Bartow, Cherokee, Forsyth, Hall, Banks, Franklin, Hart, Polk, Pauling, Cobb, Fulton, Gwinnett, Barrow, Jackson, Madison, Elbert, Clarke, Oconee, Walton, Rockdale, Newton, Dekalb, Henry, Clayton, Spalding, Fayette, Coweta, Carroll, Haralson, Douglas, Heard, Troup, Meriwether, Harris, and Muscogee counties

Green Ribbon Health (1-800-372-8931)—started 11/ 2005, Central Florida - Hillsborough, Pinellas, Manatee, DeSoto, Sarasota, Charlotte, Lee, Hardee, and Collier counties

XLHealth Corporation (1-877-717-2247)—started 1/2006, *West Tennessee* – Shelby, Fayette, Tipton, Haywood, Madison, Henderson, Crockett, Gibson, Carroll Benton. *Middle Tennessee* – Humphreys, Hickman, Williamson, Rutherford, Dickson, Cheatham, Davidson, Wilson, Montgomery, Robertson, Sumner, Putnam, Cumberland, Smith, *East Tennessee* – Marion, Sequatchie, Hamilton, Bradley, McMinn, Meigs, Blount, Anderson, Loudon, Knox, and Roane counties

The areas being served have a high prevalence of diabetes and heart failure among Medicare beneficiaries. The areas also represent a mix of rural and urban areas and include ethnically and culturally diverse populations.