

Non-Medical Benefits in Medicare: A Pathway for Coverage

BACKGROUND

- The Bipartisan Budget Act of 2018 expanded coverage of non-medical benefits for those with chronic conditions who are enrolled in Medicare Advantage (MA) through Special Supplemental Benefits for the Chronically Ill.
- Half of those with chronic conditions remain in Medicare fee-for-service (FFS).
- Alternative payment models and Medicare's chronic care management (CCM) benefit can serve as pathways for coverage of non-medical benefits in Medicare FFS.

EVIDENCE

While evidence of the cost-effectiveness of some non-medical benefits is limited, there is evidence for medically-tailored meals:

A 2018 study showed that delivering food to vulnerable Medicare-Medicaid beneficiaries led to lower health care spending.¹ When compared to those who did not receive the benefit, those who received medically-tailored meals had:

- fewer emergency department visits;
- fewer inpatient admissions; and
- lower spending on medical care

A 2019 BPC-funded simulation based on that study found that medically-tailored meals provided for two weeks post-hospitalization to certain patients with chronic illness could potentially save \$1.57 for each dollar invested.²

RECOMMENDATIONS FROM BPC'S 2019 REPORT

To allow coverage of targeted non-medical benefits in Medicare FFS, Congress should direct the HHS secretary to:

1. Authorize coverage of evidence-based non-medical benefits for patients with chronic conditions if:

- Evidence shows the benefit improves or maintains health or function of those patients;
- CMS Office of the Actuary certifies coverage of the benefit for target patients would not increase total cost of care over time; and
- The chronic condition is managed through payment and delivery models that support chronic care management

2. Develop a uniform functional assessment tool to determine eligibility for non-medical benefits

3. Authorize and monitor suppliers:

- Identify criteria for authorization as a supplier of covered non-medical services
- Identify authorized suppliers available to Medicare providers
- Establish monitoring programs to minimize fraud, waste, and abuse for these organizations

4. To build the evidence base:

- Require MA plans to quantify and report outcomes on SSBCI to CMS
- Direct CMS to publish reported information on SSBCI enrollment, utilization, and outcomes

OTHER BPC RECOMMENDATIONS

Improve access to Chronic Care Management Services:

- Because CCM services are provider-to-provider, eliminate beneficiary copay under Medicare
- Expand the list of qualified health providers that can bill for CCM services to include licensed clinical social workers
- Direct the HHS secretary to (i) examine potential modifications to the risk-adjustment model to ensure more accurate predictions of medical expenses for Medicare beneficiaries with functional limitations, and (ii) consider appropriateness of developing a tool that can determine eligibility and assess risk

Support outreach and build on evidence for Special Supplemental Benefits for the Chronically Ill (SSBCI):

- Increase funding for State Health Insurance Assistance Programs
- Require MA plans to develop materials to educate providers about SSBCI

Endnotes

1 Seth A. Berkowitz et al., Meal Delivery Programs Reduce the Use of Costly Health Care in Dually Eligible Medicare and Medicaid Beneficiaries, *Health Affairs*, 37:4, April 2018.

2 [Bipartisan Policy Center, Next Steps in Chronic Care: Expanding Innovative Medicare Benefits](#), July 2019.