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 congestive 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 programs, to improve the quality of care and life for people living with chronic conditions. 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.

Beneficiaries who have congestive heart failure and/or diabetes have heavy self-care burdens and high risks of experiencing poor clinical and financial outcomes. Beneficiaries who live with these conditions often have other co-morbidities. Commonly, beneficiaries who live with multiple chronic conditions experience poor health outcomes, increased costs and diminished quality of life, despite the best efforts of their physicians and other health care professionals. There is evidence that self-care support, education, and assistance in coordinating care for people with these conditions can be effective in improving clinical outcomes, reducing their healthcare costs, and improving participant and provider satisfaction. Implementation of Medicare Health Support will be the first large-scale initiative to offer such support for selected chronically ill populations in traditional fee-for-service Medicare.

This new Medicare initiative is designed to help reduce health risks, improve quality of life, and provide savings to the beneficiaries and to Medicare. There will be eight Medicare Health Support pilot programs beginning in 2005 and early 2006. They will be overseen by the Centers for Medicare & Medicaid Services (CMS). The pilot programs will be operated by organizations that were chosen by CMS through a competitive selection process.

**Participants:**

The Medicare Health Support pilot programs will serve approximately 180,000 Medicare beneficiaries who are enrolled in traditional fee-for-service Medicare and who have congestive heart failure and/or diabetes among their chronic conditions. Participation will be voluntary and free to participating beneficiaries. It will not their ability to choose their own doctors or other health care providers, and it will support adherence to the care plans their doctors prescribe. Medicare benefits will not change as a result of participation in a Medicare Health Support program.

Using historical claims data, CMS has identified beneficiaries in the pilot regions who are candidates for Medicare Health Support. Approximately 20,000 beneficiaries in each region will be notified of the opportunity to participate through a letter from CMS. The letter will describe the program and give the beneficiary the opportunity to decline to be contacted by a Medicare Health Support organization if he or she does not want to participate.

**Program Operations:**

Each of the Medicare Health Support organizations will offer self-care guidance and support to participating Medicare beneficiaries to help them manage their health, adhere to their physicians' plans of care, and ensure that they know when to seek medical care. The organizations operating the pilot programs are required to assist participants in managing their health holistically, including all co-morbidities, relevant health care services, and pharmaceutical needs in a manner that is responsive to unique individual needs (e.g., English as a second language, cognitive impairments). The programs will test a wide range of support services for participating beneficiaries, their physicians, and caregivers. Medicare Health Support is intended to help increase adherence to evidence-based care, reduce unnecessary hospital stays and emergency room visits, and help participants avoid costly and debilitating complications.

**Medicare Health Support Organizations and Regions to be served:**

Medicare Health Support organizations, their start dates, and the regions to be served are:

- **Oklahoma**: LifeMasters Supported SelfCare, Inc. (1-888-713-2837) - started 8/1/05
- **W. Pennsylvania**: Health Dialog Services Corp. (1-800-574-8475) - started 8/15/05
- **Washington D.C. & MD**: American Healthways, Inc. (1-866-807-4486) - started 8/1/05
- **Mississippi**: McKesson Health Solutions, (1-800-919-9110) – started 8/22/05
- **Chicago, Illinois**: Aetna Life Insurance Company, (1-888-713-2836) – started 9/1/05
- **Northwest Georgia**: CIGNA Health Support, LLC, (1-866-563-4551) – started 9/12/05
- **Central Florida**: Green Ribbon Health, (1-800-372-8931) – started 11/1/05
- **Tennessee**: XLHealth Corporation (1-877-717-2247) – to start January, 2006

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

**Phase I and Phase II:**

Medicare Health Support is designed as a two-phase initiative. The Phase I pilot programs will run for three years and will each be evaluated through comparison of outcomes for the beneficiaries who were invited to participate to 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) is authorized by Section 721 of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 to proceed with Phase II expansion within two to three and a half years after implementing Phase I, if the Secretary finds that the conditions for expansion laid out in the statute have been met. In Phase II, the Secretary may expand Phase I programs or program components that have proven to be successful in improving clinical quality outcomes, increasing beneficiary satisfaction, and meeting Medicare spending targets for their assigned populations.

**Medicare Health Support Pilot Program Regions**

**Aetna Life Insurance Company:** Northern Illinois-Cook, DuPage, Lake, McHenry, Kane, Will, and Kankakee counties

**American Healthways, Inc.:** State of Maryland and District of Columbia

**Health Dialog Services Corporation:** Western Pennsylvania – Forest, Clarion, Jefferson, Clearfield, Butler, Armstrong, Indiana, Cambria, Blair, Bedford, Somerset, Fayette, Westmoreland, Greene, Washington, Alleghany, Beaver, Mercer counties

**CIGNA Health Support:** 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:** Central Florida - Hillsborough, Pinellas, Manatee, DeSoto, Sarasota, Charlotte, Lee, Hardee and Collier counties

**LifeMasters Supported SelfCare, Inc.:** State of Oklahoma

**McKesson Health Solutions:** State of Mississippi

**XLHealth Corporation:** *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