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Humana

June 22, 2015

The Honorable Johnny Isakson
United States Senator
131 Russell Senate Office Building
Washington, DC 20510

The Honorable Mark Warner
United States Senator
475 Russell Senate Office Building
Washington, DC 20510

Dear Senators Isakson and Warner:

We thank you for the opportunity to provide our input regarding policy options for improving care for Medicare beneficiaries living with chronic conditions. We applaud the Senate Finance Committee's commitment to improving the health and well-being of Medicare beneficiaries and are encouraged by the formation of the Chronic Care Working Group.

Humana Inc., headquartered in Louisville, Kentucky, is a leading health care company that offers a wide range of insurance products and health and wellness services that incorporate an integrated approach to lifelong well-being. Humana serves approximately 14 million total medical members receiving medical services across the country. As one of the nation's top contractors for Medicare Advantage (MA) and Medicare Part D benefits with approximately 7.4 million members, we are distinguished by our near 30-year, long-standing, comprehensive commitment to Medicare beneficiaries across the United States. These beneficiaries – a large proportion of whom depend on the Medicare Advantage program as their safety net – receive integrated, coordinated, quality, and affordable care through our plans. As evidence of the quality of care our members receive, 92 percent of our enrollees will be in plans qualified as 4, 4.5, or 5 Star plans in 2016.

One of our goals at Humana is to empower our members to live safely and comfortably in their own homes, even when faced with medical and functional challenges. As part of this effort, our Humana at Home team will provide telephonic, telehealth, home care, and/or home health support to approximately 900,000 members in 2015.

Based on our near 30-year experience working directly with beneficiaries to help manage their complex chronic conditions, we offer the following proposals to improve the health and well-being of Medicare beneficiaries living with one or more chronic conditions.

Reward Healthy Behaviors

While we applaud the Centers for Medicare and Medicaid Services' (CMS) recent efforts to expand opportunities for MA plans to offer rewards and incentives to encourage members to engage in healthy behaviors, we recommend that the Committee permit MA plans to offer more robust and targeted

rewards and incentives for members who elect to participate in programs designed to help them prevent, detect, and better manage their chronic conditions, such as diabetes education programs.

Foster Innovative Approaches For Care Coordination

We recommend that the Committee foster innovative approaches to disease management and care coordination by making it easier for MA plans to conduct pilot testing of value-based payment reforms and innovative health care delivery models. The Center for Medicare and Medicaid Innovation (CMMI) is undertaking a wide variety of pilots and demos designed to test value-based reimbursement models and other reforms intended to improve the quality of patient care and reduce Medicare spending. MA plans should be given greater flexibility to build upon and augment these efforts. At the very least, available waivers under the MA program should be modified, if necessary, to reflect additional flexibility CMS provides under fee-for-service demos and pilots. For example, in the MSSP final rule that was issued earlier this month, CMS indicated that it intended to test waivers of the billing and payment requirements for telehealth services, with the goal of making a waiver option available to ACOs in 2017. We recommend that MA plans be afforded the same opportunity to provide coverage for clinically appropriate remote monitoring telehealth solutions as part of the basic benefit package.

Improve Access to In-Home Support Services

Approximately 89 percent of seniors want to live out their lives in their own homes, but a majority of those same seniors cite chronic conditions and associated functional limitations as the number one threat to their independence. To assist Medicare beneficiaries in overcoming functional limitations to safely remain in their homes, we encourage the Committee to permit MA plans to expand beneficiary access to clinically appropriate home health support services, including assistance with meal preparation, transportation, and other essential activities of daily living. Currently, the Medicare program permits coverage for such services only when furnished in conjunction with other skilled therapy.

Allow Value-Based Insurance Design for Prescription Drug Coverage

Prescription drugs play a central role in helping Medicare beneficiaries manage their chronic conditions. On average, Medicare beneficiaries take a least five prescription drugs a day. A growing body of evidence suggests that lack of adherence to medication regimens is a prevailing problem in Medicare. A national survey of Medicare beneficiaries found that nearly 20 percent of Part D enrollees either did not fill a prescription or delayed filling a prescription during the previous year. To address this problem, we recommend that Medicare Advantage Prescription Drug (MA-PD) plans and Medicare Part D plans be given additional flexibility to offer reduced cost sharing for selected low-cost prescription medications prescribed to specific individuals with targeted chronic diseases, such as beneficiaries that agree to enroll in diabetes education programs.

We value this opportunity to provide feedback and are pleased to answer any questions you may have with respect to our recommendations. We hope that you consider our comments as constructive feedback aimed at ensuring that together we continue to advance our shared goals of improving the delivery of coverage and services in a sustainable, affordable manner to Medicare beneficiaries, focused on improving their total health care experience.

Sincerely,

A handwritten signature in blue ink that reads "Heidi Margulis". The signature is written in a cursive style with a large, looped 'H' and 'M'.

Heidi S. Margulis
Senior Vice President, Corporate Affairs
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