

Measure Would Waive Cost-Sharing for Chronic Condition Management

A new bill in Congress may enable Medicare beneficiaries to access 100% coverage for chronic care management (CCM) services.

The Seniors' Chronic Care Management Improvement Act of 2021 would waive the cost-sharing requirements for CCM services, thus enabling a greater portion of the more than 35 million Medicare beneficiaries with two or more chronic conditions to gain access to better coordinated care.

CCM services include medication management and preventive health counseling,

"Chronic health conditions account for 90% of our nation's healthcare spending and this is a meaningful way to lower costs and improve health outcomes," said Rep. Suzan DelBene, D-Washington, a lead sponsor of the Seniors' Chronic Care Management Improvement Act. "It's unfortunate so few seniors access this benefit and I believe dropping the cost-sharing requirements will change that."

Examples of chronic conditions include:

- Cancer
- Cardiovascular disease
- Chronic obstructive pulmonary disease
- Diabetes
- Hypertension
- HIV/Aids
- Alzheimer's disease/dementia
- Arthritis

Background

Congress established a program to reimburse care providers for CCM services in 2015.

Under current law, Medicare beneficiaries must be diagnosed with two chronic conditions or more to access these services.

According to the Centers for Medicare and Medicaid Services, two out of three Medicare beneficiaries meet this criterion. Care providers bill Medicare to get paid, but Medicare patients are responsible for 20% coinsurance under Medicare Part B.

However, this cost-sharing requirement creates a barrier to care, say advocates, because beneficiaries aren't used to cost-sharing for care management services.

As a result, for the first two years of the program, only 684,000 patients out of 35 million Medicare beneficiaries with two or more chronic conditions benefitted from CCM services.

The bill

The new bill eliminates the 20% cost-sharing requirement for Medicare beneficiaries and would reimburse care providers for the full amount.

If signed into law, the bill would potentially benefit millions of chronically ill Medicare beneficiaries by making care coordination, medication management and compliance, and care management more affordable.

Industry support

The bill has picked up significant support from both sides of the aisle. It's also received support from organizations like the American Medical Association, the American Diabetes Association and the American College of Physicians.

The bill's advocates say that CCM services provide several measurable benefits, including improved compliance with recommended therapies, clinician efficiency, decreased hospitalization rates, and fewer trips to the emergency room.

Care providers also point out that the current law places a significant administrative burden on them as they try to bill and collect very small coinsurance amounts from patients. The bill would also alleviate the administrative burden for collections, especially for small practices.

Many or all of the direct costs of the bill are expected to be offset by reduced overall patient utilization. With chronic conditions accounting for the vast majority of health care spending in the United States, improving care management and compliance and reducing hospitalization and ER visits should generate significant savings.

*This material was created by Insurance Newsletters and authorized for use by Brown & Stromecki Agency

###