

March 4, 2016

Sean Cavanaugh, Deputy Administrator
Centers for Medicare and Medicaid Services
Director, Center for Medicare
United States Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

Submitted via e-mail to: AdvanceNotice2017@cms.hhs.gov

Re: Advance Notice of Methodological Changes for Calendar Year (CY) 2017 for Medicare Advantage (MA) Capitation Rates, Part C and Part D Payment Policies and 2017 Call Letter

Dear Mr. Cavanaugh:

We are writing in support of CMS' proposal in the 2017 advanced notice to update the CMS-HCC risk-adjustment model for Medicare Advantage (MA) plans, including Medicare-Medicaid Plans (MMPs). CMS' proposed changes to the risk-adjustment model would improve the accuracy of risk-adjustment for full-benefit dual eligibles and disabled individuals. These changes would create a more equitable risk-adjustment system, and would improve the sustainability of Dual-eligible Special Needs Plans (D-SNPs) and MMPs. We ask CMS to make the proposed risk-adjustment changes final for MA plans and MMPs for calendar year 2017.

Full-benefit dual eligibles are the poorest, and among the sickest and most vulnerable Medicare beneficiaries. Their care is often complicated by socio-economic challenges. These individuals have to navigate separate Medicare and Medicaid delivery systems for medical services, long-term care services, and behavioral health services. Too often they fall through the cracks of the fee-for-service delivery systems and experience uncoordinated care. D-SNPs and MMPs provide these individuals with the opportunity to receive better coordinated care, better quality of care, and extra services than is available to them through traditional fee-for-service.

As CMS acknowledged in its October 28th memo, and reiterated again in the Advanced Notice, the current MA risk-adjustment system underpredicts Medicare costs for full-benefit dual eligibles. This threatens the sustainability of the D-SNP and MMP programs. Further, the underprediction creates an inequity in the payment system because plans receive lower payments for the poorest, sickest, and most vulnerable Medicare beneficiaries.

We applaud CMS' research on this issue and the agency's work to improve the risk-adjustment system. We agree that CMS' risk-adjustment proposal would improve the accuracy of risk-adjustment for full-benefit dual eligibles. Again, we urge CMS to make these changes permanent in the 2017 Final Notice and Call Letter.

Sincerely,

Association for Community Affiliated Plans

Association of Clinicians for the Underserved

Community Catalyst

Molina Healthcare

National Association of State Mental Health Program Directors

SNP Alliance

WellCare