BETTER MEDICARE ALLIANCE

Mini Summit III: Medicare Advantage and Health Outcomes

Comparing MA and FFS Utilization, Outcomes and Spending

Christie Teigland, PhD

May 17, 2018

Second National Medicare Advantage Summit

Background

- Enrollment in Medicare Advantage (MA) plans grew to 18.5m beneficiaries in 2017 representing 33% of Medicare, yet there is little insight into enrollees' characteristics due to lack of access to data.

- Little information on the chronic condition prevalence, healthcare utilization and overall cost and spending patterns in MA has been published.
  - Specifically, few studies have directly compared MA and FFS on these metrics.

- Two recent Avalere studies address the question of how MA differs from FFS overall and by key beneficiary characteristics, and especially among high-need, high-cost enrollees.

Commonwealth Fund (CMWF) Study

Comprehensive Analysis of the Medicare Advantage Population

1. **Provide an in-depth descriptive profile of the Medicare Advantage (MA) population**
   - demographics
   - chronic condition prevalence
   - socioeconomic characteristics
   - healthcare service utilization
   - quality outcomes
   - expenditure patterns
   - plan characteristics
   - sub-analysis of dual eligible MA beneficiaries

2. **Use a study framework designed to identify high-need Medicare Fee-for-Service beneficiaries in previous work (Joynt, et al [1]) funded by CMWF to identify high-need MA beneficiaries and compare to traditional FFS**
   - Compare overall populations and stratify based on above characteristics, including high-cost patients.

1. Joynt K, Figueroa J, Beaulieu N, Wild R, Orav E, Jha A. Segmenting high-cost Medicare patients into potentially actionable cohorts. Healthcare (2016), http://dx.doi.org/10.1016/j.hjdsi.2016.11.002

MA vs. FFS High Cost vs Non-High Cost Beneficiaries by Dual Status

- **A significantly smaller proportion of MA dual eligible enrollees were high-cost in 2012 compared to FFS (26.6% vs. 37.0%)**
  - However, the percent of high cost dual members ***increased from 26.6% to 35.8% in 2015***.
- A similar proportion of dual eligible beneficiaries comprised the non-high cost group in MA and FFS in 2012

Dual Status	Percent of MA and FFS Populations by Dual Status*			Distribution of **High Cost** Beneficiaries by Dual Status			Distribution of **Non-High Cost** Beneficiaries by Dual Status		
	MA 2012	FFS 2012**	2015	2012	2012 FFS**	2015	2012	2012 FFS**	2015
Non-Dual	81.3%	80.1%	74.2%	73.4%	63.0%	64.2%	82.2%	82.0%	75.3%
Dual Eligible (Partial and Full)	18.7%	20.2%	25.9%	26.6%	37.0%	35.8%	17.8%	18.3%	24.7%

* MA population with known dual status: 639,804 in 2012; 738,899 in 2015

** FFS results from Joynt et al

Better Medicare Alliance Study

Comparison of MA and FFS

This study examined differences in beneficiary characteristics, healthcare utilization, clinical outcomes, and costs between enrollees with one or more of three of the top five chronic conditions in MA and FFS. Cohorts studied included:

- Hypertension
- Hyperlipidemia
- Diabetes
- Patients with one or more of the 3 chronic conditions (unique patients in study population)
- Patients with all 3 chronic conditions (most complex patients in study population)

1. Joynt K, Figueroa J, Beaulieu N, Wild R, Orav E, Jha A. Segmenting high-cost Medicare patients into potentially actionable cohorts. Healthcare (2016), http://dx.doi.org/10.1016/j.hjdsi.2016.11.002

Results Will Be Published In a Series of Three Avalere Issue Briefs

METHODS: A descriptive cross-sectional cohort design was used to analyze a sample of 1,581,822 MA beneficiaries extracted from Inovalon's proprietary MORE^2 Registry® and a sample of 1,212,698 FFS beneficiaries extracted from Medicare Standard Analytic Files in 2015.

OBJECTIVE: To inform policy makers, health plans and providers about the relative value of MA compared to FFS

MA and FFS Beneficiaries Have Similar Prevalence of Chronic Conditions

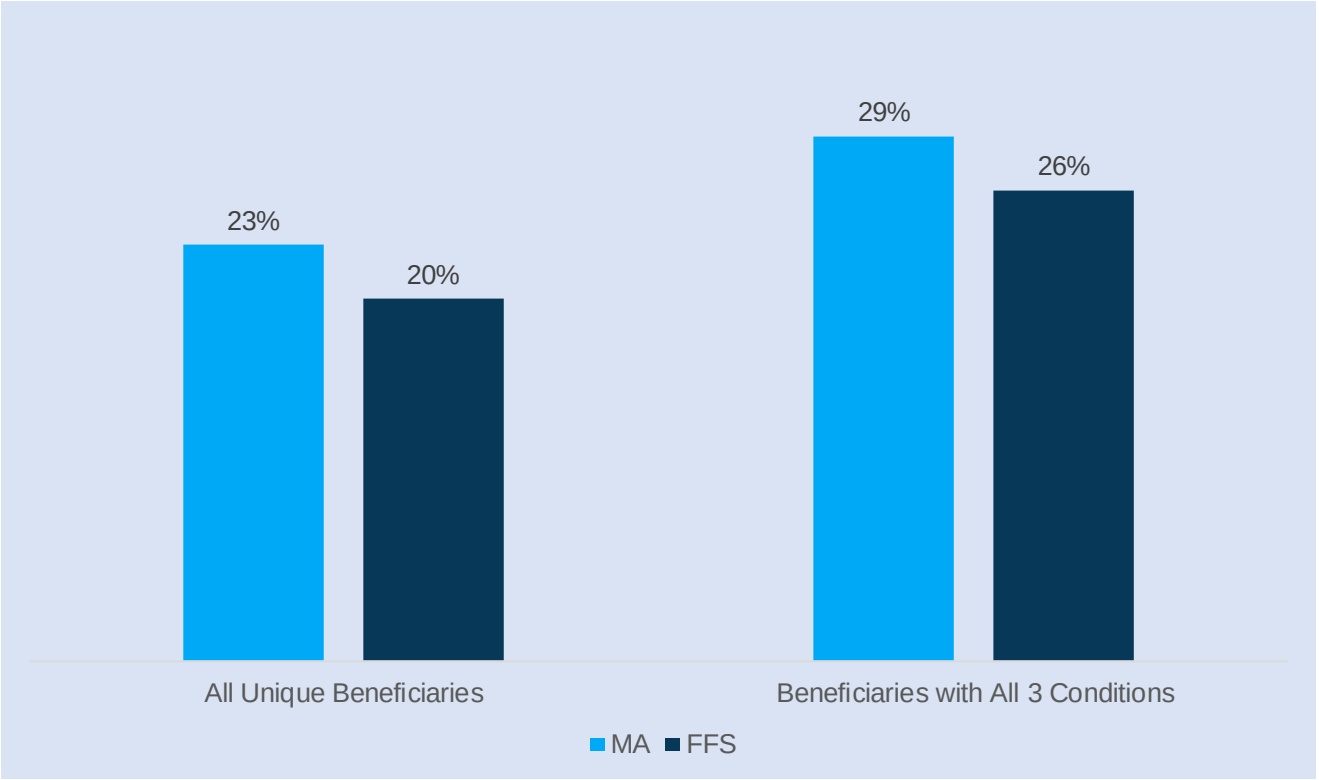
- The *top five chronic conditions were the same for MA and FFS* beneficiaries.
- MA beneficiaries had similar rates of hypertension and hyperlipidemia, but slightly higher rates of diabetes.
- Mean Charleson Comorbidity Scores were also the same—4.6—indicating similar severity.

	MA*	FFS**
Hypertension	86.1%	85.3%
Hyperlipidemia	78.1%	78.0%
Eye disease	37.2%	42.2%
Rheumatoid arthritis/ osteoarthritis	36.3%	39.9%
Diabetes	40.0%	36.7%
Ischemic heart disease	25.4%	28.1%
Anemia	22.6%	26.0%
Acquired hypothyroidism	21.4%	25.3%
Chronic kidney disease	25.5%	24.5%
Chronic obstructive pulmonary disease and bronchiectasis	19.4%	20.3%
Depression	17.9%	19.3%
Asthma	15.9%	16.9%
Benign prostatic hyperplasia	12.4%	13.7%
Osteoporosis	11.2%	12.2%
Stroke / transient ischemic attack	11.5%	15.3%
Heart failure	11.9%	13.4%
Atrial fibrillation	11.5%	14.5%
Alzheimer's disease/related disorders or senile dementia	6.5%	8.9%
Prostate cancer	4.1%	4.7%

*MA - All Unique Patients: 1,581,822
**FFS - All Unique Patients: 1,212,698

MA Had More Dual Eligible Beneficiaries in the Overall Study Population and More Enrollees With All Three Conditions

Percent of Study Beneficiaries with Dual Eligible Status: MA vs. FFS



MA Had Higher Rates of Social Risk Factors in the Population With All Three Conditions

Percent of Study Population with All Three Chronic Conditions with Social Risk Factors: MA vs. FFS

Condition	MA Beneficiaries	FFS Beneficiaries
Serious Mental Illness	9.4%	5.9%
Alcohol/drug/ substance abuse	7.6%	6.4%
Learning Disability	1.2%	1.0%

Sample Finding:
MA Had Significantly Fewer Inpatient Stays and Emergency Room Visits

Ratio of MA / FFS Utilization of Hospital Stays, Emergency Room Visits and Office Visits

Utilization per 1,000 Members	All Unique Patients			
	MA	FFS	All Patients Ratio	Dual Eligibles Ratio
Hospitalizations	249	324	.77	0.67
Emergency room visits	511	759	.67	0.58
Office visits	7,765	7,687	1.01	1.12

Results and Findings

Allyson Y. Schwartz

This study provides new evidence that while MA and FFS populations have similar prevalence of chronic conditions, MA's ability to better manage and coordinate care appears to impact quality of life for Medicare beneficiaries through fewer hospital stays and emergency room visits, better quality of care outcomes, and lower cost for high-need, high-cost beneficiaries.

Understanding differences in characteristics, utilization, outcomes and spending patterns among high-need beneficiaries is essential to developing targeted interventions aimed at improving outcomes and lowering costs in high expenditure areas of Medicare.