



New Medicare Enrollees: Opportunities for MA Plans and CBO Partnerships

Part of the Aging and Disability Business
Institute Series- a collaboration of n4a and ASA



Today's presenters



Nora Super

Chief, Programs & Services, National Association of Area Agencies on Aging

Nora leads n4a's training, technical assistance, research and development efforts. She oversees n4a's key programs, including planning and capacity development, the Aging and Disability Business Institute, the National Aging and Disability Transportation Center, the Aging Network Volunteer Resource Center, the Eldercare Locator and the Dementia Friendly America Initiative. Nora has worked in a variety of leadership roles in the public and private sectors on health policy and aging issues for more than 20 years.



Sarah Thomas

Managing Director, Deloitte Center for Health Solutions, Deloitte Services LP

As managing director for the Center for Health Solutions, Deloitte LLP, Sarah Thomas oversees the development and execution of the strategic research agenda which aims to help industry stakeholders respond to market forces and policy directives affecting health care, including payers' demand for better value. She has more than 13 years of government experience and has deep experience in public policy, with a focus on Medicare payment policy.



Claire Cruse

Health Policy Manager, Deloitte Center for Health Solutions, Deloitte Services LP

As health policy manager, Claire provides in-depth analysis of policy issues, especially pertaining to regulatory and legislative updates to inform Deloitte's account teams as well as external clients on key trends in health policy. Key subject areas in which she has expertise include Medicare and Medicare Advantage, the Medicare Access and CHIP Reauthorization Act of 2015, the public health insurance exchanges, the Affordable Care Act, and post-acute care policy. Before joining Deloitte, Claire worked with organizations in the aging services field from the local to national level.



Partners and Funders

Partners:

- National Association of Area Agencies on Aging
- Independent Living Research Utilization/National Center for Aging and Disability
- American Society on Aging
- Partners in Care Foundation
- Elder Services of the Merrimack Valley/Healthy Living Center of Excellence

Funders:

- Administration for Community Living
- The John A. Hartford Foundation
- The SCAN Foundation
- The Gary and Mary West Foundation
- The Colorado Health Foundation
- The Marin Community Foundation



The Business Institute

Mission: The mission of the Aging and Disability Business Institute is to build and strengthen partnerships between aging and disability community-based organizations (CBOs) and the health care system.

Long-term outcome: Increase in the number of CBOs successfully implementing business relationships (contracts) with health care payers.



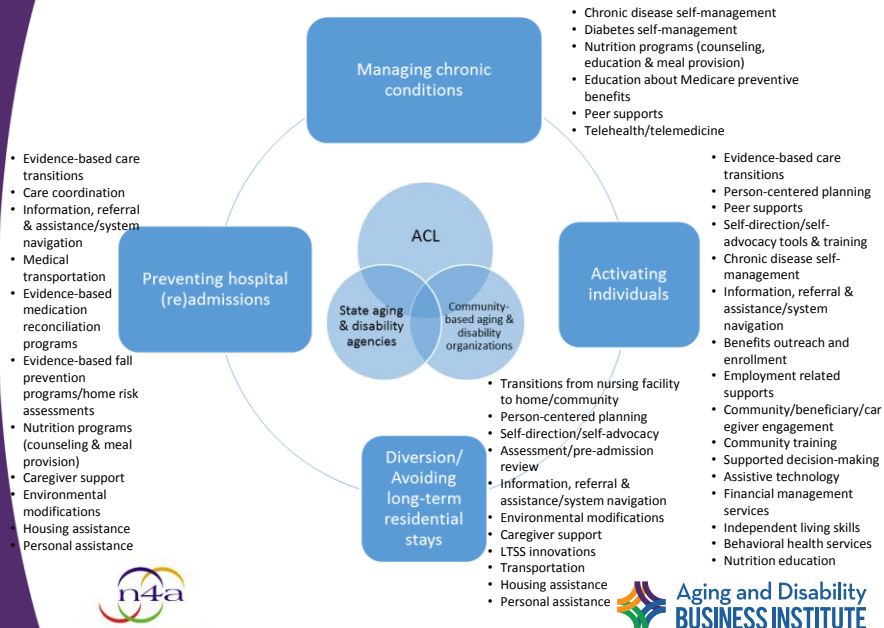
Resource Center



www.aginganddisabilitybusinessinstitute.org



The Critical Role of Community-Based Organizations In Delivery System Reform



Contracting Opportunities for CBOs

- **Health Plans**
 - Medicaid Managed Care Organizations, Duals Plans, Special Needs Plans (SNPs), Medicare Advantage, Commercial
- **Hospitals and hospital systems**
- **Primary Care**
 - Physicians, Physician Groups, Patient-Centered Medical Homes (PCMH)
- **Accountable Care Organizations**
- **Medicare**
- **State Medicaid Department**
- **Veterans Administration Medical Centers**
- **Skilled Nursing Facilities and Post-Acute Care Providers**

The next wave of Medicare enrollees will likely be a critically important segment to drive growth and profitability for health plans in the future

What will that mean for CBOs?



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The “trailing-edge” Baby Boomers will comprise the next wave of Medicare enrollees

Baby Boomers

One generation with many similarities, but some meaningful differences



Leading-edge Boomers
(born 1946 to 1955)
Most have aged into Medicare



Trailing-edge Boomers
(born 1956 to 1964)
Next 10 years of enrollees



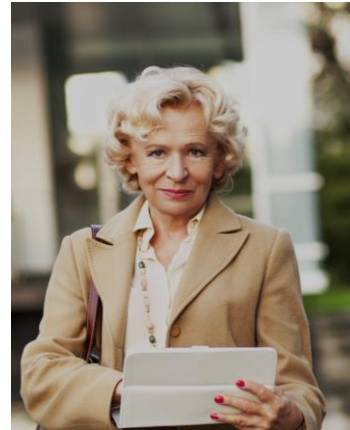
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Female Boomers will likely be an important set of decision makers

- When the older Boomers turned 18, little more than one-third of women were in the workforce. That had jumped to nearly **53%** by the time the younger Boomers turned 18.¹
- More workforce participation among **women** in this generation means more women have made decisions about their own benefits.²



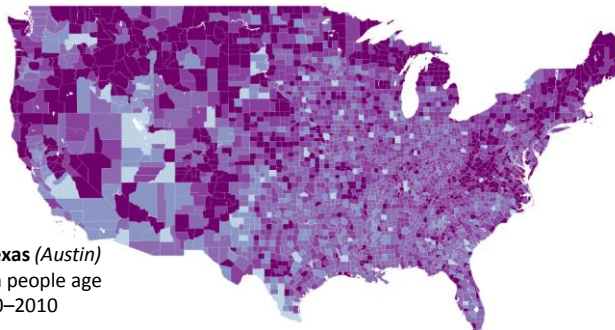
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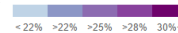
New retirement destinations are rising in popularity

Ada County, Idaho
(Boise)
92% increase in people age 55–64 from 2000–2010

Travis County, Texas *(Austin)*
110% increase in people age 55–64 from 2000–2010



Areas are shaded based on the age 45 to 64 percentage of a county's total population.
Sources: Image from <http://www.governing.com/gov-data/baby-boomers-county-population-map.html>;
Data points from <http://urbanland.ull.org/industry-sectors/top-10-metro-areas-with-fastest-growing-senior-and-presenior-populations/>



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Many Baby Boomers say they want to stay close to their current home as they age

Only **1 in 5** Baby Boomers wants to age in senior-related housing or “active adult” communities

67%

Plan to stay **IN STATE**

51%

Plan to stay **WITHIN 29 MILES** of their current home



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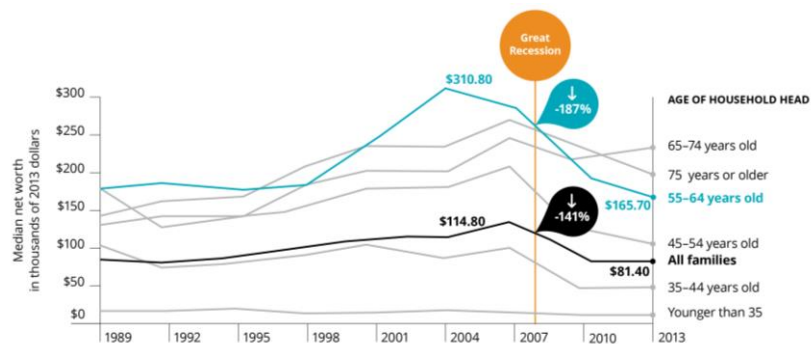
Source: 2013 Demand Institute Housing & Community Survey, <http://demandinstitute.org/demand/wp-content/uploads/2014/12/baby-boomers-and-their-homes.pdf>

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Many younger Boomers are struggling financially, especially after the recession



Source: US Federal Reserve, Survey of Consumer Finances, 1989–2013
<http://www.federalreserve.gov/pubs/bulletin/2014/pdf/scf14.pdf>



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What this may mean for CBOs

Health plans may be looking to...	So CBOs should consider...
Align network strategies to new population growth areas	Developing relationships with health plans interested in expanding in your market; using tools that allow you to understand Medicare Advantage plans' market share to understand health plans operating in your market
Invest in solutions to enable aging with grace in the community	Developing programs/solutions through your organization to complement health plans' in-home services (e.g., remote monitoring solutions); adding new positions to complement new programming
Tailor communication and outreach strategies	Helping health plans better understand the market they're entering through your data and community relationships; inviting health plan leaders to board meetings as a guest speaker or even to serve



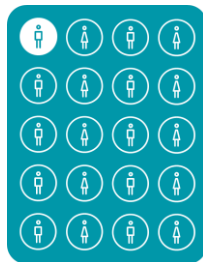
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Source: <http://www.aginganddisabilitybusinessinstitute.org/resources/act-tip-sheet-medicare-advantage-plan-market-share-analysis/>; http://www.aginganddisabilitybusinessinstitute.org/wp-content/uploads/2017/04/Packaging-Services-slides_BI_webinar.pdf



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Many high-cost patients will age into the system in the next 10 years



5%
of the 55–64 year olds with commercial coverage represents...

51%
of total commercial spend for 55–64 year olds in 2014

1 exchange enrollees are age 55-64
in **4**



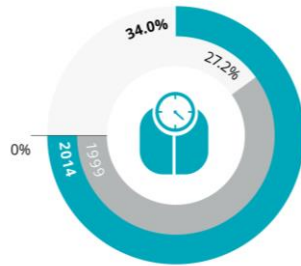
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Source: Deloitte analysis of Truven Marketscan data.; HHS exchange enrollment data, <https://aspe.hhs.gov/sites/default/files/pdf/188026/MarketPlaceAddendumFinal2016.pdf>

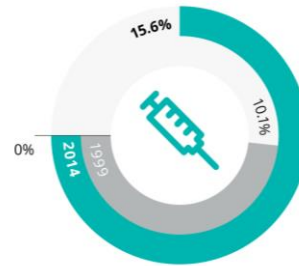


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Disease burden is shifting, but level of engagement appears to be as well



The prevalence of obesity increased.



The prevalence of diabetes increased.

But, prevalence of smoking decreased: **38.2%** in 1999, compared with **19.0%** in 2014.¹



Source: 1. Data compares prevalence rates for 50–64 year olds in each period. <http://assets.americashealthrankings.org/app/uploads/final-report-seniors-2016-edition-1.pdf>;



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Trusted sources of health information differ

	Current Medicare enrollees	Younger Boomers	Millennials
Providers	50%	44%	54%
Family and friends	42%	47%	61%
Independent consumer-oriented organizations (e.g., AARP)	36%	36%	Not in top 5
Health plans	34%	32%	42%
Employers and schools	Not in top 5	30%	44%

Chart shows percent who selected 8, 9, or 10 on a 10-point scale where 1 is “No trust” and 10 is “Completely trust” when asked, “How much trust do you have in the following sources to provide you with reliable information and advice regarding the best health insurance plans for you and your family?”

Source: Deloitte Center for Health Solutions, 2016 Survey of US Health Care Consumers



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What this may mean for CBOs

Health plans may be looking to...	So CBOs should consider...
Find new ways to gauge patient interest and willingness to engage levels	Serving as a trusted site for health information and connections to health plans operating in the area; helping health plans focus programming on high-cost, high-need members
Create tools that help younger Boomers manage chronic conditions	Working with health plans to integrate new tools into programs and services you already provide to their members
Enlist trusted support systems (e.g., friends/family) to engage members	Informing health plans of local programs that you run to support friends and families; health plans might be interested in supporting those programs in exchange for access to caregivers in one place



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The younger Boomers have had more access to technology

People born in 1964 were age...

17



...when IBM introduced its first personal computer.

19



...when Apple, Inc. introduced Lisa.

29



...when some of the first email addresses were introduced.

38



...when Handspring introduced the Palm Treo.

Sources: ComputerHistory.org, "Timeline of Computer History," Time, Lily Rothman, "A Brief Guide to the Tumultuous 30-Year History of AOL," May 22, 2015; The Telegraph, "20 years of the smartphone: an evolution in pictures"

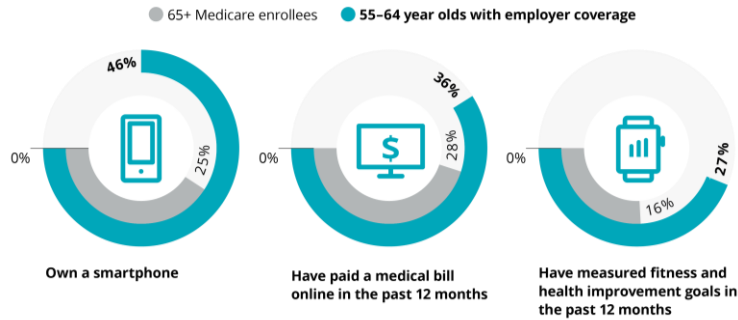


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Access to health technology is of increasing importance



Source: Deloitte Center for Health Solutions, 2016 Survey of US Health Care Consumers



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Many younger Boomers are open to using telemedicine to support their lifestyles

- Many younger Boomers envision using telemedicine during travel (31%) or for a minor injury (27%)
- 30% younger Boomers say that telemedicine seems impersonal, compared with 47% of Medicare enrollees



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Privacy is a concern for many younger Boomers

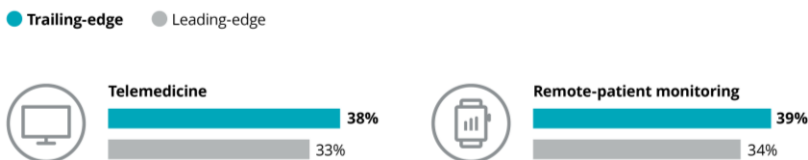


Chart shows percent who responded "My personal health information could be leaked" when asked about certain concerns that individuals may have about using telemedicine or RPM.

Source: Deloitte Center for Health Solutions, 2016 Survey of US Health Care Consumers



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What this may mean for CBOs

Health plans may be looking to...	So CBOs should consider...
Invest in technology to help people age in their homes	Partnering with local health care systems to become an established site for telemedicine services
Invest in self-service technology to meet demand of higher expectations for paying bills, enrolling in programs, and checking on wellness progress	Engaging with MA plans to develop programing that helps members understand their benefits and services available to them; boosting your own investments in technology services to support members and engaging with health plans to provide support to their members in using self-service technologies (e.g., classes and training)
Build strong privacy protections into all technology solutions	Ensuring that staff receive training in health information privacy and that policies and procedures for handling health information are reviewed regularly



Source: http://www.aginganddisabilitybusinessinstitute.org/wp-content/uploads/2017/04/Packaging-Services-slides_BI_webinar.pdf

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Many younger Boomers are less satisfied with their current health insurance than current Medicare enrollees

Younger Boomers are less satisfied than current Medicare enrollees with:

- Total costs
- Overall benefits
- Purchase experience
- Experience using coverage



Source: Deloitte Center for Health Solutions, 2016 Survey of US Health Care Consumers
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What this may mean for CBOs

Many health plans are looking for ways to bolster their services through relationships with CBOs – CBOs may need to assess their business strategies to align to this interest

- **Financial analysis:** Knowing your operating costs, program costs, etc. to translate those into contracts with payers
- **Resource analysis:** Understanding the resources it will require on your end to contract with payers (e.g., staffing finance department to ensure that collections issues are resolved)
- **Relationship analysis:** Assessing your market to understand who the local players are, who your competitors are, and who might you align with to develop services in conjunction with payers

Most importantly...

- **Client analysis:** Knowing your clients, what they need and what they want will likely be critical for success in any program or service



Source: http://www.aginganddisabilitybusinessinstitute.org/wp-content/uploads/2017/04/Packaging-Services-slides_BI_webinar.pdf

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