

PERSONALIZE HEALTH BENEFIT DESIGNS

A modern, high-performing health care system depends on a flexible, consumer-oriented approach to benefit design that better reflects individuals' needs, encourages health-positive decisions and behaviors, and accommodates ever-evolving medical science. Adopting forward-thinking benefit solutions – in public programs as well as private coverage – will help advance a high-quality and sustainable health care system that better accommodates individuals' circumstances and is consistent with the following core principles:

- Optimize public resources
- Modernize government health care programs
- Build upon the foundation of employer-based health coverage
- Employ progressive approaches to health care benefits
- Modernize the way care is delivered to improve affordability and quality
- Make technology an enabling force for better health care

ENSURE COVERED BENEFITS REFLECT INDIVIDUALS' NEEDS AND CIRCUMSTANCES

To ensure that covered benefits are affordable and address individuals' needs and circumstances, promote flexibility in benefit design while incorporating proven health-positive benefit solutions and innovations that advance health and wellness. For example:

- Allow states **greater flexibility in essential benefit design**. For example:
 - **Allow states to adjust the degree to which certain services are covered** according to an individual's income and health profile. For example:
 - **Integrate low-income social support programs** into health benefits, such as job training, housing, transportation and financial instruction, for individuals with incomes lower than approximately 138% of the federal poverty level (FPL).
 - For non-disabled adults with incomes closer to 400% FPL, **offer benefits that include financial tools**, such as health savings accounts (HSAs), as well as cost-sharing amounts that adjust based on income level.
 - **Preserve broader benefits packages for vulnerable populations**, such as long-term care services and supports for the elderly and disabled, and Early and Periodic Screening, Diagnosis and Treatment services for children.
 - Allow health benefit plans flexibility to design and offer products (e.g., targeted care coordination tools) and benefit packages **customized for specific geographic areas within a state** to account for local variation and to target "hot spots" of specific health challenges, such as obesity, heart disease, or diabetes.
 - Allow all individuals more flexibility to purchase coverage with a **wide range of actuarial values**.
- **Incorporate innovative care solutions and technology into public health benefits programs**, such as Medicare and Medicaid, to improve care quality and health outcomes. For example:
 - **Foster broader adoption of telemedicine** by allowing Medicare and Medicaid payment for telemedicine usage across all settings as well as **payment for clinically appropriate remote monitoring services**.

- **Incorporate proven care management services and innovative clinical interventions into Medicare and Medicaid fee-for-service benefits**, such as in-home clinical visits, to reduce hospitalization rates and improve beneficiaries' health outcomes.
- **Support states in using predictive analytics to identify at-risk seniors** and proactively offer them basic home-based personal care services to prevent or delay the senior's admission into a skilled nursing facility.
- **Incorporate advanced analytic tools and technology** into health benefits so as to better focus care management and wellness resources.
- Ensure state and federal physician network requirements **support the use of tiered and specialty networks** as well as Centers of Excellence, with sufficient flexibility to account for local variation in health needs.
- Ensure that benefit mandates and covered services – including prescription drugs, diagnostic screenings, labs and other services – **are evidence-based and reflect the most recent scientific and clinical guidelines** as well as evolving technology capabilities.

CREATE MORE PERSONALIZED HEALTH PLANS THAT SUPPORT GREATER CONSUMER ENGAGEMENT

To better engage individuals in taking a more active role in their health, create more personalized health plans and provide clear tools and support for individuals to become purposeful “health owners.” For example:

- **Provide individuals with robust incentives** such as premium or cost sharing reductions, rebates, or benefit enhancements, for performing specific health-positive activities (e.g., selecting a primary care provider, choosing a preferred network hospital) or achieving certain health goals (e.g., attaining a target blood pressure or cholesterol range).
- Support the creation and adoption of **easy-to-use online tools to make health care quality and cost data more accessible and understandable** to all consumers. Provide consumers with complex health conditions access to more detailed and personalized resources to help them better manage their health and navigate the health care system.
- Support sustainable efforts to **expand the use of consumer technology tools**, such as mobile applications, wearable devices, and remote monitoring tools, to connect consumers to care outside of a clinical setting, enable more informed care coordination, and promote greater consumer engagement in their health and wellness.
- Ensure federal rules allow plan sponsors and other stakeholders greater **flexibility to design robust wellness incentive programs** that advance employee health goals and appeal to a wide range of consumers.
- **Allow employers to establish and make tax-advantaged contributions to a portable long-term “health rewards” savings asset** for those individuals who consistently demonstrate healthy habits and behaviors over time. This “health rewards asset” would be integrated into the individual’s retirement savings account to recognize the value of sustained health-positive behavior in reducing costs.
- **Support broader adoption of consumer-directed health plans** whose plan designs and incentive structures help guide individuals to health-positive decisions and high-performing providers.