



Keynote Session

Seema Verma, Administrator, Centers for Medicare & Medicaid Services

Stacey Plizga: All right. Well, please join me in welcoming Demetrios Kouzoukas, the Principal Deputy Administrator and Director of the Center for Medicare, who will introduce our keynote speaker for today. And just a little note, Demetrios will also be our keynote speaker at tomorrow's session, so please help me welcome him.

Demetrios Kouzoukas: Thank you very much. I understand that people had an opportunity to enjoy the photo booth outside, so I'm glad for that.

It's my privilege to introduce to you Seema Verma. Seema Verma is the fifteenth Administrator of the Centers for Medicare and Medicaid Services. She brings deep experience in healthcare policy, Medicaid, insurance, and public health to her role at CMS. Administrator Verma is committed to empowering patients to take ownership of their healthcare and ensuring that they have access to the resources they need to make informed decisions.

For more than two decades, Administrator Verma has guided healthcare policymaking in the public and private sectors. She has worked with states to build flexibility into their Medicaid programs to help them meet the diverse needs of their diverse populations, continuing her efforts to improve health outcomes for all Americans. It is our privilege to have Administrator Verma leading our work towards a new era of flexibility and local leadership at CMS. She aims to reduce burdensome regulations so doctors and providers can focus on providing high-quality healthcare to

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patients. She also supports implementing innovative solutions that will improve healthcare quality, accessibility, and outcomes for states while driving down costs.

Please welcome Administrator Seema Verma.

Seema Verma: Well, good afternoon, and thanks for coming to CMS today. I think it's always a little bit harder to be at work today when the weather is no nice outside after this very long winter.

Well, again, thanks for joining us today as we look ahead to 2019 for the Medicare Advantage and Part D programs. It's a pleasure to be here with you and to provide an update on all that we have been doing to strengthen and improve these important programs for our nation's seniors and the disabled.,

As you know, Medicare Advantage is playing an ever-increasing and important role in delivering high-quality and cost-effective care to Medicare beneficiaries. Enrollment in Medicare Advantage has more than doubled from 13% of all Medicare beneficiaries in 2005 to 33% in 2017. And we hope that number continues to grow.

Part D premiums have been stable in recent years and are actually lower this year than they were last year. In fact, total government spending on Part D has been far lower than was originally expected.

During my tenure at CMS, I have been impressed with the level of private sector innovation and creativity that plans have brought to our beneficiaries. And I know this personally because both of my parents are enrolled in a Medicare Advantage plan, and they can't stop talking about it. My mom said, when I first came to the Medicare program, she said, I really like my plan, so whatever you do, don't screw it up. I was like, thanks for the confidence, mom.

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But anyway, I wanted to take some time today to – to review all of the important steps that CMS is taking to support Medicare Advantage Part D and empower our beneficiaries.

This year, CMS launched a coverage wizard to help people learn about their options. CMS is undertaking several consumer-friendly improvements for Medicare Open Enrollment so that people with Medicare can make an informed choice between original Medicare and Medicare Advantage. Some of the improvements include changes in the Medicare handbook to help beneficiaries understand their coverage options. The handbook is now designed to clearly highlight the benefits of joining a Medicare Advantage plan, such as protection from high out-of-pocket expenses and access to important additional benefits. And establishing a health wizard on Medicare.gov's website will better point to resources to help beneficiaries make informed healthcare decisions.

And for the 2018 Open Enrollment season, CMS will be offering new tools and features to help people with Medicare. These include a standalone mobile optimized out-of-pocket cost calculator which will provide information on both overall costs and specific prescription drugs. An improved coverage wizard which will integrate the out-of-pocket costs, out-of-pocket expenses or costs, to help beneficiaries compare options at a deeper level including the costs as a way to decide whether original Medicare or Medicare Advantage is right for them.

We'll also have a simplified login for the Medicare Plan Finder tool using their online account instead of what we have today which is the cumbersome process of entering five pieces of information to authenticate.

We will be piloting a web chat for a portion of users within the Medicare Plan Finder as this has been requested by so many advocates.

For all of our beneficiaries, it's critical that we unleash the potential of Medicare Advantage and Part D. So we at CMS have been listening to

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providers, plans, and other stakeholders about their experiences with the program. And one of the things that we have heard time and time again is that unnecessary administrative burden is contributing to rising costs as well as taking focus away from taking care of patients. Overregulation is something that has been happening for years all over the federal government. And to combat this, President Trump issued an Executive Order that directs federal agencies to cut the red tape. To reduce burdensome regulations. And following his leadership, at CMS we've launched our own initiative that we call Patients Over Paperwork. And you probably – and I hopefully saw some signs when you came into the lobby. And this is all about reducing burden.

Patients Over Paperwork brought changes also to Medicare Advantage and to Part D. Our changes for 2019 include significant new flexibility for offerings to Medicare Advantage beneficiaries. For the first time ever, Medicare beneficiaries can access significant new flexibility for additional benefits that can help them healthier, more independent lives. These plans can offer benefits that compensate for physical impairments, diminish the impact of injuries or health conditions, or reduce avoidable emergency room utilization. This means that now Medicare Advantage beneficiaries will be provided with adult daycare services, respite care for caregivers, and in-home assistance with activities like dressing, bathing, and managing medications.

Additionally, Medicare Advantage beneficiaries will have access to safety devices to better prevent injury in the home, including stair rails and grab bars and temporary mobility ramps. This will dramatically help any person or family member that are in this type of situation stay in their home longer.

Beneficiaries will also have new tailored plans that better meet their needs. So for the first time, Medicare Advantage plans will be able to improve care and outcomes for beneficiaries by reducing cost sharing for certain benefits, offering different deductibles and offering supplemental benefits that are tailored to the specific conditions of their patients.

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We are also looking forward to 2020 when plans and providers will have even more flexibility on how to deliver care with the implementation of the Bipartisan Budget Act provision that allows telehealth services to be provided as a basic benefit in Medicare Advantage. And I have been talking a lot about telehealth. I think that that's something that is important, not only to rural communities, but for any of us who live in a metropolitan area, just navigating traffic has been so difficult. And so I think telehealth is something that all of our beneficiaries can benefit from.

Our Final Rule also makes common sense – common sense changes that allow the electronic delivery of beneficiary documents. As a new generation of seniors come into the program, many of them are more accustomed to using computers. And it just makes more sense that we allow them to be in the driver's seat regarding how they receive information. Of course, paper documents will still be available for those that prefer it, but now we have this new option available.

And finally, we improved transparency in our Star Ratings to provide you with more information about what we're measuring each year and why. Historically we have announced Star Ratings changes through the call letter, but we know that there is a need for greater transparency in our decision making. And so, in response, we codified the framework for the Star Ratings in the 2019 regulation which will provide you with greater lead time to tailor your efforts to improve quality.

Additionally, these changes will give beneficiaries more reliable information about plan quality, and we're going to be giving greater weight to patient experience and access measures. And so this will allow our beneficiaries to have the information that they need to pick a plan that's right for them.

There's also been a lot of discussion on drug pricing. And as you know, President Trump and Secretary Azar have made lowering drug prices a

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major priority. And at CMS we are following their leadership to deliver results for our beneficiaries.

With the recent Part D policies that we finalized for 2019 and published last months, we are making lower-cost generic drugs available to beneficiaries regardless of when the drug becomes available. Meaning that beneficiaries can realize these savings without having to wait for another enrollment period.

We've also made it easier for low-income beneficiaries by lowering the maximum amount that they pay for certain innovative medicines making sure that the latest drugs are available to all. Specifically, we have reduced the maximum amount that low-income beneficiaries pay for new medicines known as biosimilars. In addition to reducing costs for beneficiaries, this policy alone is expected to generate savings to the Medicare program of \$10 million in 2019.

And finally, by removing unnecessary requirements in certain Part D plans that they be different from each other, plans now have the flexibility that they need to give patients more choices.

And another key priority for the President, Secretary Azar, and myself is to move our healthcare system from one that pays for procedures and sickness to one that is value based. One that rewards outcomes over mere volume.

But we know we can't achieve value-based care until we put the patient in the driver's seat of our healthcare system. And that requires empowering patients with the data that they need to make informed decisions as healthcare consumers.

Ultimately, the cornerstone of a patient-centered system is data. Quality data. Cost data. And a patient's own data. As this administration drives towards building a value-based healthcare system, we understand the vital role that digital data will play. And let me tell you about what we've

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done to already increase, and to improve, and allow greater access to data, and how we are reshaping CMS's vision for the future while continuing to assure data security and privacy for our beneficiaries.

As you may have heard, this Administration launched the My Healthy Data initiative. My Healthy Data is a government-wide initiative that breaks down the barriers that contribute to patients from being able to access and control their medical records.

My Healthy Data makes it clear that patients should have the ability to share their data with whomever they want, making the patient the center of our healthcare system. Patients need to be able to control their information and know that it's secure and private. And having access to their medical information will help them make decisions about their care and have a better understanding of their health.

My Healthy Data will unleash data to trigger innovation, advance research to cure diseases, and provide more evidence-based treatment guidelines that will ultimately drive down costs and improve health outcomes.

So imagine a world in which your health data follows you wherever you go, and you can share it with your doctor, all at the push of a button. Imagine if you could track down your medical history from your birth throughout your life, aggregating information from each health visit, your claims data, and the health information created every second through wearable technology.

Imagine if our health records weren't just used by our doctors in their workflow, but rather if electronic health records allowed third-party applications to access and leverage that data in innovative ways for both the patient and the doctor.

Imagine if patients could authorize access to their records to researchers from all over the country who could not only develop specific treatments

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for their needs, but the researchers could also use that information to develop cures that could save millions of lives.

This is our vision at CMS, and that's why we're very committed to the goals of the My Healthy Data initiative.

And you may have also heard about another My Healthy Data initiative that we've taken for the Medicare population. Through Blue Button 2.0, we're providing beneficiaries in our fee-for-service program with the ability to connect their claims data to third-party applications or apps. Services and research programs. CMS's Blue Button 2.0 is now in production, and at last count there were over 200 innovative developers experimenting with the API. And I encourage you to attend today's special breakout session to learn more about what we're doing to help beneficiaries access and use their data.

I have encouraged the healthcare industry to embrace the notion that patients must have ready access to their health records. And I have now repeatedly called on all insurers, including Medicare Advantage plans, to do what we've done and give patients their claims data electronically.

In the 2019 call letter, we strongly encouraged, and we're also considering rule making, to require Medicare Advantage plans to adopt the data release platforms that we have available in Blue Button 2.0.

And what we've undertaken at CMS are great steps, but they are steps to build on and not to rest on. And that's why CMS is also undertaking a new strategy that recognizes that we need better data. And I call that one the Data-Driven Patient Care initiative. This strategy is based on the understanding that data doesn't mean anything unless it's accessible and usable. And that making strides with data is key and critical towards moving towards value-based care.

Our data-driven patient care strategy will help ensure that CMS can be an industry leader in unleashing the power of data to drive system

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transformation, enhancing efficiency, improving quality, and reducing cost.

And I'd like to discuss with you some of the steps that we're taking to make this strategy a reality.

First, we're very excited about expanding the data that we make available to researchers in our Virtual Research Data Center, or the VRDC as some of you may know it.

As you're probably aware CMS has a large amount of data on our current 130 million beneficiaries and our previous enrollees. The VRDC provides timely access to CMS program data including Medicare fee-for-service claims data in an efficient, secure, and cost-effective manner. And if you've seen any study that references Medicare data, chances are it came from an analysis of the data that we make available in the VRDC.

Researchers have direct access to approved privacy-protected data files and are able to conduct their analysis within a CMS environment that is safe and secure. And I recently announced that for the very first time, we'll be releasing Medicare Advantage encounter data to researchers.

Now we recognize that Medicare Advantage data is not perfect, but we've determined that the quality of the available data is adequate to support research. And although this is our first release, going forward we plan to make this data available every year.

And we're not stopping with Medicare Advantage data. Next year we expect to make the Medicaid and the Children's Health Insurance Program data also available. And this means that researchers will have access to data on another 70 million patients, which represents a completely different profile as compared to our Medicare beneficiaries as this is moms and kids and also able-bodied adults.

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Of course we recognize that across all of our efforts we have to look at privacy at the front end and ensure informed consent. Patients must always be aware of how their data is being used and shared. Americans demand this of us. And in response, we'll be strengthening controls around access to all data.

Medicare Advantage and Part D have never been more popular, proving the value of providing our beneficiaries with choice. We plan to unleash the potential of these programs to the best of our abilities. The popularity of these programs, and with the various new flexibilities and burden-reduction changes that have been adopted, we expect plan choices to be even more robust in 2019.

I thank you for all of the hard work that you do, and I hope that you enjoy the afternoon sessions. Thank you so much, and I look forward to working in partnership in the future.

Thank you.

Stacey Plizga: We would like to thank the Administrator for sharing CMS's vision for the future with us this afternoon.

So a couple reminders that I didn't get to earlier, so I just wanted to go through those really quickly. That for our virtual audience, specifically if you have questions, please remember to send them in via the SurveyMonkey link that is on the CTEO website so that our speakers can address them during the open Q&A session.

Also, if you would like to provide feedback for today's event, a link to the event survey is – or will be mailed to you and is also available via the QR code that is on the back of your badges. So please consider taking a few moments to complete that survey today.