

# THE AMERICAN GERIATRICS SOCIETY

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Mark McClellan, MD, PhD.  
Administrator  
Centers for Medicare and Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244-1850

Attention – CMS-4069-P

Dear Dr. McClellan:

The American Geriatrics Society (AGS), an organization of nearly 7,000 geriatric health care professionals who are specially trained in the management of care for frail, chronically ill older patients, appreciates the opportunity to provide comments on proposed regulations entitled, “Medicare Program; Establishment of the Medicare Advantage (MA) Program”. These comments focus specifically on the regulation’s provisions governing the Medicare Advantage Special Needs Plans (SNPs).

In short, SNPs are allowed to enroll a limited subgroup of Medicare beneficiaries, encouraging choices for populations with special needs by allowing for plans that specialize in the treatment of these beneficiaries and by providing and coordinating services for these individuals. The AGS comments focus on two areas of the proposed rules concerning SNPs.

First, under the rules, CMS allows MA plan designation as a SNP if the plan “disproportionately” services special needs beneficiaries. CMS has proposed defining disproportionate as the presence of four or more chronic conditions. The AGS agrees with a modified version of this designation, which has been most recently proposed by the Robert Wood Johnson Partnership for Solutions program. The goal of modifying four chronic conditions is to make only the frail elderly eligible for SNP enrollment.

Because individuals with four or more chronic conditions can be relatively healthy, the AGS recommends using a definition of four chronic conditions and a

complexity proxy such as an inability to self-manage, high health care utilization defined by multiple visits to a physician or recent hospital or skilled nursing facility admission. According to the Partnership for Solutions, a chronic condition is an illness, functional limitation, or cognitive impairment that is expected to last at least 1 year, limits the activities of an individual and requires ongoing care.

Second, under the proposed rule, CMS allows for three categories of SNPs: (1) institutionalized beneficiaries, (2) dual eligibles, and (3) those with severe and disabling conditions, as defined by the Health and Human Services (HHS) Secretary. CMS has specifically asked for feedback regarding criteria surrounding the third category of severe and disabled individuals. CMS questions are as follows. “Are individuals with a severe and disabling condition those who are not in an institution but require a similar level of care? Are individuals with a severe and disabling condition those who require medical management by a specialist? “Are they those with 4 or more chronic conditions?” “Do they qualify for the new chronic care improvement program established under the Medicare Modernization Act?” This letter addresses these questions separately below. It is important to note that the third category should be allowed to address each of these areas, as the population of severe and disabled individuals is a small but diverse group.

**Non-Institutionalized Individuals.** Non-institutionalized individuals who are deemed to be nursing home eligible should qualify as a SNP category. This definition is used by CMS with regard to eligibility for the Program for All-inclusive Care for the Elderly (PACE) program. These persons would benefit from inclusion in a specialized plan for the same reasons an institutionalized person would benefit. Through the use of this definition, CMS would have the ability to manage this high cost and often medically complex population and, presumably, delay further nursing home placement.

**Four or More Chronic Conditions.** As stated above, the AGS agrees with the use of four or more chronic conditions as a means of defining a severe and disabling condition, as long as an indicator of complexity is used as well (see above discussion). Recent literature suggests this categorization allows for the best ability to capture the diverse population that is frail elderly.

**Other Categories.** We believe there are several other population subsets that would fit under the category of severe and disabling condition. CMS could create separate different categories of SNPs, based on the areas below or, alternatively, blend these together into an alternative SNP category as these populations contain overlapping characteristics.

**Other Categories/Functional Limitations.** First, we suggest the creation of a category to include those with a certain amount of limitations in activities of daily living (ADLs) or instrumental activities of daily living (IADLs). CMS has recognized the importance of this area by including a functional status screen in the newly proposed Welcome to Medicare benefit. Furthermore, functional status limits and the ways in which they interact with other medical conditions are a major reason for disability,

greater health care institutionalization, and decreased quality of care (and institutionalized) later in life. The ability to provide specialized services to this subgroup would meet the SNP goals stated above – greater coordination of care and greater specialization at the plan level for certain needy populations.

**Other Categories/Cognitive Limitations.** Second, we suggest a specialized plan for those individuals with cognitive limitations and at least one other chronic condition. Dementia plus one chronic medical condition leads to more health care utilization and a greater need for care coordination and caregiver support. We believe that a SNP category that includes dementia and at least one other chronic condition would allow for innovative service delivery to this population.

Many Medicare beneficiaries with Alzheimer's disease and other dementias have other serious chronic conditions. Beneficiaries with co-existing Alzheimer's or dementia and congestive heart failure were twice as likely to be hospitalized as beneficiaries with congestive heart failure and no Alzheimer's or dementia, and they were more than three times as likely to have a preventable hospitalization. Likewise, beneficiaries with Alzheimer's or dementia and co-existing diabetes were three times as likely to be hospitalized as beneficiaries with diabetes but no Alzheimer's or dementia, and they were more than three times as likely to have a preventable hospitalization.

These findings suggest that the combination of Alzheimer's or dementia and another serious chronic condition often results in negative outcomes and high use of costly Medicare services. Beneficiaries with Alzheimer's or dementia are unlikely to be able to manage their own care or comply with treatment recommendations for other serious conditions. Usual treatment and care management approaches must be adapted to meet their special needs and provide information and support for their family caregivers, if any. Medicare beneficiaries with co-existing Alzheimer's or dementia and one or more other serious medical condition could benefit from the integrated health care approaches that will be provided in specialized MA plans.

**Other Categories/Transitional Care.** An additional category would be those Medicare beneficiaries faced with major transitional care issues. Transitional care is defined as those beneficiaries who are frail elderly and who are moving or have moved through the health system through hospital discharge, nursing home discharge, emergency room use, etc. These individuals often end up without adequate management through these discrete encounters and would benefit greatly from the care management provisions of a SNP. Controlled trials have demonstrated improved clinical and resource utilization (decreased Medicare expenditures) outcomes for high-risk older adults who were provided care coordination post hospital for six months. Offering a Medicare Advantage plan that could allow a time limited enrollment into SNP for targeted high-risk transitional care patients could help achieve CMS goals of improving quality and reducing costs.

**Physician Certification of SNP.** One concern with any attempt to strictly define a population for SNP is that those seniors that suffer from a wide range of the difficulties previously defined would be excluded. In order to assure that those Medicare beneficiaries

that do not neatly fall into one of the categories of either having four or more chronic conditions, limitations in ADLs, functional limitations, cognitive limitations and transitional care needs have access to SNP a physician review and certification of this need should be required. Providing for a process where physicians with expertise in geriatric care could certify the need for SNP would assure that all seniors that would benefit from this level of care would have access.

**Chronic Care Improvement Program.** The Medicare Modernization Act created a new, fee-for-service based chronic care improvement program for Medicare beneficiaries with chronic care needs. Although the vendor-based program initially targeted beneficiaries with diabetes, heart disease and pulmonary disease, it appears that those chosen for program enrollment are individuals with multiple chronic conditions, rather than those with one of the disease states mentioned above. The population subset offered by CMS includes a good cross section based on age, gender and health needs, based on diagnosis code. However, we do not believe that eligibility for this program would be a clear and accessible proxy for eligibility for SNP enrollment, based on the random sampling used to target these enrollees and the discussion of multiple chronic conditions above.

We hope to work with CMS on the final MA rule to resolve the above issues expeditiously. If you should have questions or comments on this letter, please contact Susan Emmer, Director of the AGS Washington Office, at 301-320-3873.

Sincerely

A handwritten signature in black ink, appearing to read "Meghan Gerety". The signature is fluid and cursive, with a large initial "M" and "G".

Meghan Gerety, MD, AGSF  
President  
American Geriatrics Society