

## **PROVIDE ACCESS TO MEDICARE ADVANTAGE ENROLLMENT INFORMATION/ESTABLISH A PROVIDER “HOLD HARMLESS”**

**ISSUE:** Health maintenance organizations (HMOs) and preferred provider organizations (PPOs) have become firmly established as a means for providing health insurance coverage for a significant portion of the U.S. population. The Medicare Prescription Drug, Improvement, and Modernization Act (P.L. 108-173) provided new financial support for Medicare HMOs, PPOs, and other private plans under the Medicare Advantage (MA) program; as the result, in 2008, about 23 percent of Medicare beneficiaries were enrolled in private plans under Medicare. Many newly-enrolled patients, however, fail to understand that enrollment in an HMO/PPO or other private plan may prohibit their being cared for by their chosen care providers, and may result in copayments in excess of those assessed under traditional Medicare.

Home health agencies are not informed when a Medicare patient enrolls in a MA plan. Often, an agency will continue to provide needed care, only finding out later that neither fee-for-service Medicare nor the MA plan will pay for that care. Home health agencies and patients should not be required to absorb these costs.

This is a serious problem in areas of the country where MA enrollment has made significant inroads. As increasing numbers of Medicare beneficiaries move into and out of MA, this problem will only worsen.

The Centers for Medicare & Medicaid Services (CMS) has established a nationwide data base, known as the Common Working File (CWF), which contains information on the enrollment status of Medicare beneficiaries. CWF contains MA enrollment information only after data is transferred periodically from the separate MA enrollment database. As a result, the CWF is far from up-to-date, making the information unreliable.

**RECOMMENDATION:** To resolve this issue, Congress should:

- ◆ Require MA plans to determine any health services enrollees receive from other providers and furnish those providers with immediate notification of the MA enrollment;
- ◆ “Hold harmless” providers who in good faith provide needed care to MA enrollees before this notification is received through direct Medicare payment and concomitant reductions in MA payments; and
- ◆ Require CMS to upgrade the timeliness of information contained in the CWF and to make this information available on a nationwide basis.

**RATIONALE:** Medicare-certified home health agencies need timely enrollment

information to avoid retroactive coverage denials. Despite providers' best efforts to determine MA plan enrollment, information available from patients and families is frequently inadequate and unreliable. This is particularly a problem with MA enrollees who do not fully understand the implications of MA enrollment and fail to accurately explain their status to home health agencies. Since the cost of care provided to an MA plan enrollee by a "fee-for-service" home health agency is the enrollee's liability, protections are necessary for both the enrollee and the provider.