Medicare Advantage Can be Improved by Adopting Value-Based Health Plan Designs


The DRIVE Health Initiative, a national partnership between the ERISA Industry Committee (ERIC) and the Pacific Business Group on Health (PBGH), promotes the use of value-based purchasing strategies. The goal of the Initiative is to promote the value-based care strategies that private-sector employers are already adopting, and to encourage Congress and the Administration to consider changes in the law and regulations that will reduce health care costs and improve quality both for the 178 million Americans with employer-sponsored health insurance, and the 100 million Americans enrolled in government-sponsored plans and public programs.

Today’s testimony focused on three ways that Congress can learn from private-sector employers and improve Medicare Advantage plans to promote the highest quality care and outcomes, while increasing patient engagements. These include:

- Updating plan design to encourage the use of specialty medications to better manage chronic conditions;
- Promoting access to high-value, high-quality medical providers; and
- Encouraging healthy behaviors through wellness/preventive services.

Congress was urged to expand the Medicare Advantage Value-Based Insurance Design Model (MA VBID Model) – a model that is being used by 11 plans – to all 50 states and to continue funding and supporting the Centers for Medicare and Medicaid Innovations (CMMI), to ensure that the MA VBID Model, as well as other value-based care and shared-risk models, continue to be piloted, and implemented nationwide.

The DRIVE Health Initiative will continue to serve as a resource for Congress and regulators in the areas of value-based insurance designs, alternative provider payment models, and better performance measures. The Initiative will also share data and evidence on innovations launched by private-sector employers, and provide guidance on how these innovations can be incorporated into our nation’s public and private health programs.

To read today’s testimony, click here. Click here to learn more about the DRIVE Health Initiative.
About The ERISA Industry Committee (ERIC)
The ERISA Industry Committee (ERIC) is the only national association that advocates exclusively for large employers on health, retirement and compensation public policies at the state, federal and local levels. ERIC members are the largest companies in the country, leaders in every sector of the economy and innovators in health care design and delivery through providing health coverage to their employees, retirees, and families across the country. Learn more at [www.eric.org](http://www.eric.org).

About the Pacific Business Group on Health (PBGH)
The Pacific Business Group on Health (PBGH) is a non-profit business coalition focused on improving the quality and affordability of health care. The group represents more than 60 large health care purchasing members, who provide coverage to nearly ten million individuals in the United States. PBGH supports some of the largest companies in the country in implementing innovative solutions to improve health care outcomes and value. Learn more at [www.pbgh.org](http://www.pbgh.org).

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