

TITLE OF REPORT: Report to Congress: The Center for Medicare & Medicaid Services' Evaluation of Community-based Wellness and Prevention Programs under Section 4202 (b) of the Affordable Care Act

LEGISLATIVE DUE DATE: September 30, 2013

LEGISLATIVE AUTHORITY: This Report to Congress is the Secretary's response to the requirement under Section 4202(b) of the Patient Protection and Affordable Care Act, which directed the Secretary of Health and Human Services to conduct an evaluation of community-based prevention and wellness programs and to develop a plan for promoting healthy lifestyles and chronic disease self-management for Medicare beneficiaries. The Affordable Care Act specifically required that the Secretary examine programs focused on increasing physical activity, reducing obesity, improving diet and nutrition, reducing falls, promoting chronic disease management, and promoting better management of mental health issues. Because of the potentially large number of community-based wellness and prevention programs, the Centers for Medicare & Medicaid Services (CMS) adopted a multi-phase approach to evaluating the impacts of these programs on Medicare beneficiaries. The first phase of CMS's research efforts consisted of an environmental scan, evidence review, and a pilot evaluation of the Chronic Disease Self-Management Program, a nationally disseminated chronic disease management intervention developed and administered by Stanford University with support from the Agency for Community Living. The second phase of CMS's research built upon the work conducted in the first phase and consisted of a retrospective analysis of a select group of wellness and prevention programs. The third phase of CMS's research, which is ongoing, consists of a prospective study of program effects that seeks to round out CMS's understanding of how community-based wellness and prevention programs impact Medicare beneficiaries. This report presents the results of the first two phases of CMS's research, describes CMS's plans for phase three of our ongoing evaluation, and briefly discusses ongoing work to promote wellness and prevention among Medicare beneficiaries.

SUMMARY OF REPORT: Both the published literature examined in CMS's evidence review and CMS's initial evaluations of potential program effects indicate that some community-based wellness and prevention programs may have the potential to improve beneficiary health outcomes and reduce healthcare costs.

CMS's review of the literature found several established wellness and prevention programs with a firm evidence base. These programs typically demonstrated improvements in health behaviors and proximate health outcomes. CMS's initial evaluation of program impacts examined claims-based measures of utilization and cost for a select group of wellness and prevention programs and found some promising evidence suggesting that four nationally disseminated programs (EnhanceFitness, The Arthritis Foundation Exercise Program, The Arthritis Foundation Tai Chi Program, and Matter of Balance) may have driven down total healthcare costs for participating beneficiaries. The Chronic Disease Self-Management Program and The Arthritis Foundation Aquatic Program also demonstrated reductions in unplanned hospital costs, which may suggest a potential for future long-term savings.

Taken together, these results are promising in that they demonstrate that evidence-based community wellness and prevention programs can improve outcomes and in some cases reduce costs for Medicare beneficiaries. However, there are some gaps in the established evidence that

make more widespread implementation of programs challenging. First, while CMS's retrospective analysis of program effects found some evidence of cost savings for select programs, the overall evidence of program effects on cost and utilization outcomes is still somewhat limited. To date, there have only been a handful of studies that have directly addressed cost and utilization outcomes. More evidence of cost savings would be helpful in promoting more direct financing of these prevention activities in the healthcare system. Second, most of the effort in promoting community-based wellness and prevention programs (both in the public and private sphere) has been focused on testing specific interventions and building local program capacity. Very little attention, however, has been paid to examining the demand for these kinds of programs in the general beneficiary population. Understanding the potential scale of program effects is critical to designing widespread dissemination efforts. Finally, it is unclear how to best implement a sustainable payment model to finance the delivery of these services in the long term. Traditional fee for service payment structures are likely ill-suited to financing community based interventions, as many programs occur outside of the formal clinical settings that CMS's administrative systems are set up to oversee and regulate.

In conclusion, HHS recommends maintaining existing support for community-based wellness and prevention activities, consistent with the emphasis on bolstering effective prevention in the President's FY2014 budget, while HHS, CMS, and other public and private partners work to fill these gaps in the evidence through additional studies and pilot programs. Community-based wellness and prevention programs currently depend on limited grant dollars from various Federal funding streams, and thus their reach is limited. Designing and implementing direct payment mechanisms for these programs and incentives for other healthcare stakeholders, including managed care plans and health systems participating in shared savings programs, to partner with and finance programs could substantially increase the number of Americans that can benefit. Research to date indicates that these programs have the potential to improve health outcomes for Medicare beneficiaries and reduce costs. More research, development, and implementation work however is needed before these benefits can be fully leveraged in the healthcare system.

CONCLUSION: Transmit this report to the President of the Senate and the Speaker of the House of Representatives.

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