

# The Medicare “Better Health Rewards” Program

## *Saving Medicare Money, Saves You Money*

Discussion of saving Medicare money tends to focus on raising premiums or cutting benefits, but the best health care costs the least because it keeps you healthy. The Medicare “Better Health Rewards” Program builds on this fact by helping seniors set and reach achievable goals designed to help them get and stay healthy. And, unlike the current system that begins to cost more when a senior actually needs it, the “Better Health Rewards” program gives seniors who reach their health goals – and help lower overall health costs – a chance to share in the savings.

### **Program Summary**

In 2011, nearly 2.3 million seniors went to their doctor for what Medicare calls an annual “wellness” visit. During a typical wellness visit, the doctor reviews their patient’s medical history and conducts tests to ascertain general health status, but how can seniors make use of this information?

The Medicare “Better Health Rewards” program would give Medicare beneficiaries a chance to put these wellness visits to work by participating in a voluntary, three-year wellness program. Under the program, participating providers would use information gathered during annual wellness visits to establish achievable health goals for their participating patients. These goals would be based on the seniors’ ‘results’ in the following target categories, which have been identified as leading predictors of future health challenges:

- ✓ Tobacco usage
- ✓ Body Mass Index
- ✓ Diabetes indicators
- ✓ Blood Pressure
- ✓ Cholesterol levels
- ✓ Screenings and specified vaccinations

A senior’s progress will be measured during the next two wellness visits, conducted in years two and three of the program. At those visits, points will be awarded for achieving and maintaining certain standards within each target. To help keep participating seniors motivated, beneficiaries earning 20 or more points will be eligible for a “Better Health Reward” paid for by the program’s savings.

Points	Year 2	Year 3
20 – 24	\$100	\$200
25 +	\$200	\$400

### **Benchmark, Determination of Savings, and Incentive Payments**

Funding for the “Better Health Rewards” Program is generated as participating seniors see changes – and improvements – in their health and save Medicare money. CMS will calculate savings by deducting the actual health costs of seniors enrolled in the program from their “projected” health costs absent the program.