
Dear Mr. Cavanaugh and Ms. Wuggazer,

The Alzheimer’s Association appreciates the opportunity to comment on the Advance Notice of Methodological Changes for Calendar Year (CY) 2017 for Medicare Advantage (MA) Capitation Rates, Part C and Part D Payment Policies and 2017 Call Letter.

The Alzheimer’s Association is the world’s leading voluntary health organization in Alzheimer’s care, support, and research. Today, there are more than 5 million Americans living with Alzheimer’s disease. Alzheimer’s is the sixth leading cause of death in the United States, and the only cause of death among the top 10 without a way to prevent, cure, or even slow its progression. In 2015, the direct costs to American society of caring for those with Alzheimer’s will total an estimated $226 billion, including $153 billion in costs to Medicare and Medicaid. Nearly one in every five dollars spent by Medicare is on people with Alzheimer's or another dementia. In 2050, it will be one in every three dollars. Thus, we encourage the Centers for Medicare & Medicaid Services (CMS) to consider the following comments to improve both payment accuracy and care for this growing population of beneficiaries.

CMS-HCC Risk Adjustment Model for CY 2017

We support CMS’s ongoing efforts to improve its risk adjustment model. We remain very concerned, however, by the continued omission of dementia-related Hierarchical Condition Category (HCC) codes. Omission of dementia-related HCC codes from risk adjustment

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significantly reduces the predictive ratio of the model. In fact, a recent assessment of the 2014 model--which does not include dementia codes--found that expenditures for Alzheimer’s disease and related disorders are underpredicted by nearly $1.1 billion.\(^2\) Furthermore, plans that serve the sickest beneficiaries may experience a negative disproportionate impact without appropriate risk adjustment.

In its Calendar Year 2014 Call Letter, CMS responded to comments about omission of dementia codes, expressing concern that the “broad clinical definition of dementia may result in dementia being coded at greater levels in [Medicare Advantage]...such that payment will be inaccurate.” As CMS suggests in this notice, Medicare Advantage organizations (MAOs) should develop and offer supplemental benefits for persons with dementia. To do so, MAOs must first identify these enrollees. If CMS is concerned about MAOs coding dementia at greater levels in an effort to serve enrollees, the agency should review the data to determine whether such coding is appropriate or inappropriate.

**New Measure: Antipsychotic Use in Persons with Dementia (APD) (Part D)**
The Alzheimer’s Association appreciates CMS’s ongoing efforts to reduce inappropriate antipsychotic use in persons with dementia. Historically, antipsychotic medications have been used appropriately and inappropriately to address some of the behavioral and psychological symptoms of dementia (BPSD), such as agitation, aggression, and hallucinations. The Association fully supports that for all BPSD, non-pharmacologic interventions should be a first-line alternative to pharmacologic therapies. However, the Association continues to support the appropriate use of medications when BPSD pose a greater risk to individuals and families living with dementia than the medications.

As the measure is written to denote quality, the Association is concerned that the measure conflates “off-label use” and “inappropriate use.” Persons with dementia and families acknowledge the potential benefits of appropriately-used antipsychotics, even if the medication does not have an FDA-approved indication for their symptoms. They report that such medications can ease paranoia or anxiety and can alleviate the rage some people experience, keeping them and others safe and allowing them to remain in their homes. These medications may calm an agitated person a few hours, allowing him or her to attend an adult day program, granting a caregiver a few hours of much needed respite. Many persons with dementia and their families can make informed choices regarding the use of antipsychotic medications. This measure fails to account for this informed consent, preference, and the potential improvements in the quality of life for some individuals.

Finally, we strongly support CMS’s decision to further examine diagnosis data and current use before adding the measure to the Star Ratings system.

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Counseling and Related Support Services

The Alzheimer’s Association deeply appreciates CMS’s recommendation that MAOs offer innovative supplemental benefits to enrollees diagnosed with Alzheimer’s or related dementias. Persons with dementia and their caregivers depend on a wide variety of community services, and utilizing these services effectively requires the planning and counseling suggested by CMS. Good care planning and high-quality community-based services can improve the quality of life for both persons with the disease and caregivers. As CMS notes, the Association is ready to assist MAOs and enrollees alike.

Part D
Formulary Submissions

We are grateful to CMS for encouraging Part D sponsors to directly notify beneficiaries of formulary additions, like generics, in a timely manner. This reminder may raise plans’ awareness of cost-effective alternatives and prompt them to make it available to enrollees sooner. Access to these treatments can improve beneficiaries’ quality of life while reducing the cost of care to them.

Thank you for the opportunity to comment. The Alzheimer’s Association would welcome a chance to serve as a resource to CMS as it considers these important issues and how they relate to individuals living with Alzheimer’s and related dementias. Please contact Laura Thornhill, Manager of Regulatory Affairs, at 202-638-7042 or lthornhill@alz.org if you have questions or if we can be of additional assistance.

Sincerely,

Robert Egge
Executive Vice President, Government Affairs