

Next Generation ACO Chronic Disease Management Reward Benefit Enhancement (Gift Card): Frequently Asked Questions (FAQs)

Updated January 2019

The FAQs below are related to the Next Generation ACO (NGACO) Model Chronic Disease Management Reward Benefit Enhancement. They address the policy and the requirements involved in implementing the benefit enhancement and in providing gift cards to eligible beneficiaries.

Q1: What is the deadline for NGACOs to submit implementation plans for the Gift Card Benefit Enhancement? Will there be future opportunities to submit an Implementation Plan in 2019?

A: NGACOs that submitted implementation plans by November 16, 2018, may begin operations for this benefit enhancement as early as January 1, 2019. NGACOs have another opportunity to submit implementation plans by April 5, 2019. The start date for ACOs that submit implementation plans in April 2019 will be June 1, 2019. CMS requires at least one month to review the completed implementation plans and will finalize the official start date in the coming months.

Q2: Can NGACOs use the Gift Card Benefit Enhancement to advance the management of chronic disease instead of using a formal Chronic Disease Management Program?

A: Yes, NGACOs can use the Gift Card Benefit Enhancement to advance the management of a chronic disease, but the NGACO's program must be outlined in its Implementation Plan. It doesn't necessarily have to be a formal Chronic Disease Management Program, such as a pre-established, evidence-based smoking cessation program.

Q3: Does this benefit enhancement allow NGACOs to provide meals to patients by direct contract with an organization and not via the gift card?

A: Providing meals is not allowable under current Medicare law, and meals would not fall under allowable use of the Gift Card Benefit Enhancement. NGACOs should ask their general counsel to review the NGACO fraud and abuse waiver when considering how to use this benefit enhancement, and/or in utilizing the broader (beyond benefit enhancements) Next Generation ACO Model Amended Waivers of Certain Fraud and Abuse Laws.

Links to the Notice of Waiver of Certain Fraud and Abuse Laws in Connection with the Next Generation ACO Model: (1) <https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/Downloads/Amended-ACO-Model-Waivers.pdf> and FAQ (2) <https://app.innovation.cms.gov/NGACOConnect/sfc/#version?selectedDocumentId=069t0000001vJ8b>.

Q4: Given the possibility that the NGACO alignment data will be delayed, what happens if an NGACO gives a gift card to a beneficiary and then discovers that she or he has left the NGACO?

A: If the beneficiary was aligned to the NGACO when she or he enrolled in the Chronic Disease Management Program, then the beneficiary is eligible for the gift card even though she or he has left the NGACO.

Q5: Can the gift card be used as an incentive to encourage a beneficiary to receive a service from the NGACO?

A: The gift card has to be tied to a Chronic Disease Management Program in which a beneficiary is enrolled. The NGACO fraud and abuse waiver specifically prohibits the use of the gift card as a patient-engagement incentive outside of the Gift Card Benefit Enhancement.

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Q6: May the gift card be for cash, in the way that a Visa card can be used to get cash? May the gift card be for gasoline to support medical transportation or to go to a grocery store to purchase food?

A: The gift card cannot be redeemable for cash. For example, a gift card that allows for a small purchase and provides cash back in return is not allowable. A gift card for a grocery store or a gas station must meet all eligibility criteria set forth in the Participation Agreement. For example, the gift card must be programmed to prevent the purchase of alcohol and tobacco products, it cannot be in the form of rebates or discounts, and it must be funded by and supplied by the ACO. The aggregate value of any and all gift cards provided to a beneficiary in a year cannot exceed \$75.

Q7: Does CMS have branding requirements for the gift card? Can it be, for example, a retail store or pharmacy brand gift card? Does the card need to have the NGACO's name on it?

A: Gift cards do not have to be NGACO-branded, include the NGACO's name, or have the associated retail company's logo removed. The gift card must be provided to the beneficiary directly by the ACO.

Q8: Can NGACOs partner with a national retail company such as Walmart to provide a gift card for a pharmacy?

A: NGACOs may work with a national retailer, but the gift card must meet all the other requirements for the Gift Card Benefit Enhancement. For example, the gift card cannot be in the form of cash, monetary discounts, or rebates (including reduced cost-sharing requirements for a prescription drug).

Q9: May a commercial partner such as a drugstore fund all or part of the gift card?

A: No, the NGACO must fund the gift card entirely and provide it directly to the beneficiary.

Q10: Can NGACOs focus on a specific subset of beneficiaries for the Gift Card Benefit Enhancement? Can NGACOs target a subpopulation of high-cost patients based on their chronic disease diagnosis?

A: Yes, NGACOs may target specific subpopulations, but that must be clearly articulated in its Implementation Plan. NGACOs may not discriminate against populations that would otherwise be eligible.

Q11: Can the Gift Card Benefit Enhancement be given to beneficiaries for receiving an annual wellness visit?

A: The annual wellness visit (AWV) is not a Chronic Disease Management Program. If NGACOs integrate AWVs into an existing Chronic Disease Management Program or build a program with other activities that the NGACO uses to manage beneficiaries' chronic conditions—such as meeting with a care manager, developing a care plan, following up on goal-setting, and assessing the social determinants of health—then a beneficiary who has an AWV would be eligible for the gift card.

Q12: Are NGACOs required to submit quarterly data to CMS regarding its use of the Gift Card Benefit Enhancement?

A: No, NGACOs do not need to provide quarterly data submissions on its use of this benefit enhancement. More information about the requirements for the semi-annual reports will be available in 2019.
