

Issue Brief on Medicare Advantage Supplemental Benefits & Impact on Eligibility for Government Programs – Examples of Beneficiary Impacts

Program for All Inclusive Care for the Elderly (PACE)

- Multiple participants disenrolled from PACE for “flex” cards. The Medicare Advantage plans offering the flex card coordinated transportation for upcoming doctor visits via Lyft or Uber. The participants were unable to use rideshares because they ambulate using wheelchairs. This caused the individuals to skip needed medical appointments. Eventually the participants came back to the PACE. Their health had declined because of missed access to appointments. (Washington State)
- A participant disenrolled for a \$200 flex card. She stated she needed the additional funds to buy groceries though was unwilling to discuss this with her interdisciplinary team (IDT) who would have been able to assist her via the PACE program. The participant returned to the PACE program a month later because she had no transportation to get to the store to purchase groceries and the Medicare Advantage plan offered no support or transportation to assist. Upon consultation with the PACE dietician, the participant now has her nutritional needs addressed in her care plan. (Pennsylvania)
- Aggressive marketing occurred at a senior affordable housing complex where a broker chased a resident to their PACE transportation and said a Medicare Advantage plan could provide more flexible transportation. The person did not want to change plans – and was clearly enrolled in PACE since they were boarding transportation clearly associated with the PACE provider. However, the broker ignored the individual’s request to be left alone. (North Carolina)

Housing

- Affordable housing providers in predominantly poor and rural areas are reporting that many of their residents are switching into Medicare Advantage plans. The housing providers believe this is because of deceptive marketing of the flex cards that lead the residents to believe they can use the benefit for *any* purchase. However, many stores in the vicinity do not accept these flex cards. In one instance, a resident with limited mobility and no ability to drive wanted to use the flex card for grocery-related expenses per the plans’ flex card terms, but the only grocery store that accepted the flex card was not on the town’s bus line (Maine).

- An income-qualifying woman wanted to use the flex card to offset her rental payment in affordable housing. Her housing provider counted the benefit as income, which increased her rent under HUD rules. However, the housing provider's rental payment system did not accept the flex card, meaning that the resident's rent increased but she had no means to pay the additional amount. (Florida)
- Several affordable housing providers have stated that their residents report switching into MA plans with flex cards and receiving them in the mail, but not using them fearing it will impact their rent calculation if considered increased "income." In these cases, the value of the benefits does not roll over month-to-month when not used, which means that the resident did not have additional income or assets gained from the flex card's now-expired benefits. However, the housing provider increased the residents' rent simply because the benefit was issued to the resident, even though the card was never used and the benefit was not able to be accrued. (Multiple States)
- A HUD-assisted housing provider shared a story about a resident who reported that her daughter had enrolled the resident without her knowledge, and had fraudulently taken and used the flex card, and yet the resident's rent payment increased because the benefit was considered the resident's "income."