

**TESTIMONY OF FRANCESCA RINALDO, MD, PHD**  
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**Before the**  
**Health Subcommittee of the Ways and Means Committee**  
**of the**  
**U.S. House of Representatives**

**On**

**Investing in a Healthier America: Chronic Disease Prevention and Treatment**

**September 18, 2024**

## **Introduction**

Chairman Buchanan, Ranking Member Doggett, and distinguished members of the subcommittee, thank you for the opportunity to testify today.

My name is Dr. Francesca Rinaldo. I am a physician-scientist with a background and expertise in clinical research and health delivery. I currently serve as the Chief Clinical Innovation Officer and Corporate Medical Director of SCAN Health Plan, where my focus is on improving the quality of life and cost of care for vulnerable and frail older adults.

I began my healthcare career training in general surgery at Stanford University, where I had the privilege of caring for older adult patients across various surgical specialties. Over time, I observed that older adult patients often experienced poorer outcomes – not only because of their higher burden of chronic disease and functional impairments, but also due to insufficient support in addressing social determinants of health. These factors, rooted in my patients' homes and environments, were critical drivers of their overall health outcomes. Yet, as a frontline clinician, I did not feel that I had the tools nor the knowledge to address them.

Recognizing the need to address these critical factors, and to provide more comprehensive care for my patients, I decided to pause my surgical career. I spent two years as a post-doctoral research fellow at the Stanford Clinical Excellence Research Center, where I focused on finding innovative ways to improve care delivery and outcomes for older adults by addressing the intersection between chronic disease management and social determinants of health.

During this time, my co-fellows and I developed a high-value care model for Late Life, integrating the most effective solutions from both academia and industry. This model addresses

key factors such as social isolation, functional impairment, loss of independence, and the importance of delivering goal-concordant care: care that aligns with the patient’s personal health goals and values.

This experience inspired me to take on the role of Chief Medical Officer in the private sector, where I led the clinical strategy for a national network of in-home caregivers. As part of our work, our team was deployed to provide in-home support services as a supplemental benefit to Medicare Advantage (MA) members: supporting patients through care transitions, empowering them to better manage their chronic diseases, and proactively identifying and addressing clinical and social risk factors within the home.

These experiences, along with my desire to continue to improve healthcare delivery for older adults at scale, eventually led me to my current role at SCAN, where I continue to use my background to keep our members healthy and independent.

My remarks will briefly cover SCAN’s background and history, SCAN’s approach to preventing and addressing chronic disease through high-value supplemental benefits and clinical interventions, and recommendations to policymakers. SCAN serves mainly older adults, so my comments will focus on this population.

### **SCAN Background**

SCAN Health Plan is a mission-driven, not-for-profit, Medicare Advantage plan. Almost 50 years ago, in Long Beach, California, a diverse group of older adults we affectionately call the “Twelve Angry Seniors” were unable to access the services they needed to age safely at home in their communities. Frustrated, the Twelve Angry Seniors formed the organization that became SCAN:

the Senior Care Action Network. In its infancy, SCAN was a network of services and programs, from meal delivery to home repair to medical centers, transportation, housing support, and more.

I offer this background because to understand SCAN's origins is to understand our current mission and operations. Today, SCAN Health Plan is one of the nation's largest not-for-profit MA plans, serving more than 280,000 Medicare beneficiaries in California, Arizona, Nevada, New Mexico, and Texas. SCAN specializes in serving vulnerable and frail older adults. We offer a variety of Special Needs Plans (SNPs), including the only Fully Integrated Dual Eligible (FIDE) SNP in California.

In an industry increasingly dominated by large, for-profit health plans, we believe that both Medicare beneficiaries and the American taxpayer benefit from a robust presence of non-profit plans in the MA marketplace. Our financial incentives center entirely around the beneficiary. Payments made to SCAN by CMS are directed toward high-value benefits for our members and fair compensation for our providers. Non-profit plans like SCAN are accountable to our communities, resulting in a better understanding of our members' needs, culturally congruent and sensitive care, and tangible investment in local communities. The results of this approach translate to consistent, high-quality care. For eleven years in a row, SCAN has received a four-star or better rating from the Centers for Medicare & Medicaid Services (CMS).

### **SCAN's Approach to Preventing and Managing Chronic Disease**

When the Twelve Angry Seniors founded the Senior Care Action Network in 1977, their priorities were to manage the process of aging gracefully, keeping patients in their homes

instead of in a facility, and preventing and managing chronic illnesses. So, in a system that all too often encourages “sick care,” as Chair Buchanan has said, SCAN is proud to be a leader in healthcare.

Our mission now, 47 years after our founding, is still to keep seniors healthy and independent. Thanks to the flexibilities present in the MA program, SCAN and other plans are both able and incentivized to provide preventive care. For example, SCAN can reduce or remove cost-sharing on high-value services like primary care and prescription drugs that keep chronic diseases in check. Meanwhile, our financial incentive is clear: more preventive services, more upfront interventions, mean fewer expensive and unnecessary acute care services, like emergency department trips or extended hospital stays.

Beyond these structural advantages of Medicare Advantage, SCAN takes great pride in how our benefit design and clinical interventions prevent disease when possible.

### *Benefit Design*

As this committee knows, MA plans are required to offer all benefits, except for hospice, that are provided under fee-for-service Medicare. In addition, MA plans may offer supplemental benefits not covered by fee-for-service. These benefits may include reduced cost-sharing, health-related benefits such as transportation to a doctor’s appointment or in-home nurse support to prevent falls, and targeted benefits that address social risk factors – like nutritious meal delivery. Most plans, including SCAN, offer some combination of these three benefit types.

However, as SCAN's CEO Dr. Sachin Jain has written, to gain market share, some plans in recent years have begun offering prospective members benefits that may be attractive during open enrollment but do little for people when they need care. This is not SCAN's approach.

At SCAN, we strive to design benefits that are not only appealing due to their affordability and accessibility but also because they emphasize wellness. By focusing on preventive care, we aim to keep our members from needing costly, acute care whenever it is avoidable.

One such benefit category SCAN is proud to provide to our members is meals and nutrition.

SCAN is a strong advocate of "Food as Medicine." We recognize that access to high-quality, culturally tailored, nutritional meals and targeted nutritional counselling is essential for

managing chronic diseases. In the case of diabetes, for instance, we have engaged with meal partners to offer appropriate diabetic meals and nutritional counselling to our members at no additional cost to them.

In 2023, SCAN delivered 41,000 meals per month to our members under several different programs we offer (many members may qualify for more than one type of meal benefit). These programs include:

1. Post-acute meals, which enable members to receive daily meals delivered to their homes for four weeks following a hospital stay.
2. Chronic condition meals, which are tailored both nutritionally and culturally to support chronic condition management. Members receive 84 meals annually to support their health needs.

3. Long Term Services and Supports (LTSS) meals for our Dual Special Needs Plan members.

These members, who are among the most vulnerable in the communities we serve, receive home-delivered meals regardless of their health conditions.

Supplemental benefits can also address barriers to care, like an inability to physically reach a provider. SCAN offers transportation benefits to physician appointments and to other settings where members can obtain healthcare services. For example, in 2023, SCAN members took almost 320,000 rides to access primary care, dialysis, physical therapy, and specialty medical services. SCAN also provides thousands of rides a month to grocery stores and senior centers. For those members who, for whatever reason, would prefer to stay home for their care, SCAN has curated a substantial suite of supplemental benefits. For example, we provide unlimited telehealth for urgent care needs and behavioral health support through video-based therapy and psychiatry. We also offer an online program with a series of mental activities designed to strengthen attention, memory and other skills. And, of course, to deal with inevitable technical barriers, SCAN offers a 24/7 telephone support line with experts who can answer whatever health-related technology questions our members may have.

*Clinical Interventions to Prevent & Treat Chronic Disease*

Beyond offering benefits that promote wellness and address both clinical and social risk factors, SCAN entities also provide direct care to members through our Institutional Special Needs Plan (I-SNP), Embrace, as well as through other care delivery assets that SCAN developed as strategic investments. These initiatives address gaps in the healthcare value chain, creating lasting impacts on older adults' health and independence, while also driving innovation in senior care.

Our focus is on meeting the diverse needs of a wide range of older adult populations, ensuring that clinical excellence remains at the core of our mission.

For Instance, Homebase Medical complements primary care providers by offering wraparound, home-based services that support the management of clinically complex patients. These services facilitate smooth care transitions, streamline care coordination for effective chronic disease management, and deliver preventive care directly in the home.

Take, for example, a recent Homebase Medical patient, a 91-year-old with hypertension and congestive heart failure. This patient has experienced multiple hospitalizations and readmissions over the course of the year. Homebase stepped in to provide counseling for the patient, and to their family caregiver, on dietary changes to prevent heart failure exacerbations. Homebase coordinated care with the treating cardiologist to closely monitor the patient's condition and adjust medications as needed. I am pleased to report that, thanks to these additional layers of support, the patient has not been hospitalized in several months. For an older adult patient, whose cognitive and functional status can decline significantly with every hospital stay, this is a major victory.

Between our health plan and our provider lines of business, SCAN does everything we can, within current laws and regulations, to help our members avoid and manage chronic diseases. However, we know that we could do so much more with the help of this Committee and the entire Congress.



## **Congress Can Improve Preventive Care for Vulnerable Populations**

Congress recognized, as part of the Bipartisan Budget Act of 2018, that Medicare beneficiaries with chronic diseases face non-healthcare challenges that directly influence their health outcomes. Food insecurity makes it difficult to live with heart disease or diabetes. Air pollution exacerbates asthma. Social isolation affects one's mental health – especially in those with depression and anxiety. To address these social risk factors, Congress created Special Supplemental Benefits for the Chronically Ill, or SSBCI. These supplemental benefits permit MA plans to invest in targeted benefits that lead to better outcomes and lower costs.

People with chronic diseases are not the only patients who face social risk factors. Low-income beneficiaries face similar challenges. For instance, public housing units and residents are overrepresented in neighborhoods with poor air quality.<sup>1</sup> Lower income households purchase less healthy foods than higher income households.<sup>2</sup> Lower income households spent 30% of their post-tax income on transportation in 2022, the highest of any income bracket.<sup>3</sup> Lower income households reported encountering more roaches and rodents, both of which often carry disease, than higher income households.<sup>4</sup>

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<sup>1</sup> Chakraborty, J., Collins, T. W., Grineski, S. E., & Aun, J. J. (2022). Air Pollution Exposure Disparities in US Public Housing developments. *Scientific Reports*, 12(1), 9887. <https://doi.org/10.1038/s41598-022-13942-3>

<sup>2</sup> French, S. A., Tangney, C. C., Crane, M. M., Wang, Y., & Appelhans, B. M. (2019). Nutrition Quality of Food Purchases Varies by Household Income: The SHoPPER Study. *BMC Public Health*, 19(1), 231. <https://doi.org/10.1186/s12889-019-6546-2>

<sup>3</sup> Bureau of Transportation Statistics (2024). The Household Cost of Transportation: Is It Affordable? *U.S. Department of Transportation*. <https://www.bts.gov/data-spotlight/household-cost-transportation-it-affordable>

<sup>4</sup> Sellner, M. & Wicht, J. (2021). Residents of 14 Million Housing Units Reported Seeing Roaches, 14.8 Million Saw Rodents in Last 12 Months. *United States Census Bureau*. <https://www.census.gov/library/stories/2021/04/how-many-american-homes-have-pests>

To fully meet the needs of some of Medicare’s most vulnerable beneficiaries, SCAN believes that Congress should expand SSBCI eligibility to include 1) beneficiaries dually eligible for Medicare and Medicaid, 2) beneficiaries who receive the Part D low-income subsidy, and 3) beneficiaries who are neither duals or LIS-eligible but are still considered low income – often referred to as the “near poor,” who face many of the same barriers to care experienced by those living below the poverty line.<sup>5</sup>

Fortunately, legislation to make this change is pending before this committee and the Energy & Commerce Committee. SCAN commends Representative Earl Blumenauer, a member of this Subcommittee, and Representative Gus Bilirakis for introducing the “Addressing Whole Health in Medicare Advantage Act” or H.R. 5746. SCAN urges Congress to enact this bipartisan legislation as soon as possible to meet the needs of Medicare’s most vulnerable beneficiaries.

### **In Conclusion**

For my entire career, I have worked to address the ways that older adult care is insufficient. As a surgeon, I cared for seniors at what was often one of the most challenging moments of their lives. As a post-doc at Stanford, I developed a model of care to align healthcare services with a patient’s personal health goals and values. In the private sector, I helped deliver a home health supplemental benefit to MA members. And finally, here at SCAN, I combine my own experiences with the spirit of our Twelve Angry Seniors that still guides this organization. I look

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<sup>5</sup> Roberts, E. T., Glynn, A., Cornelio, N., Donohue, J. M., Gellad, W. F., McWilliams, J. M., & Sabik, L. M. (2021). Medicaid Coverage 'Cliff' Increases Expenses and Decreases Care for Near-Poor Medicare Beneficiaries. *Health Affairs (Project Hope)*, 40(4), 552–561. <https://doi.org/10.1377/hlthaff.2020.02272>

forward to taking your questions about how our non-profit, mission-driven organization provides high-quality, high-value, care to our members.