

Announcements (4/13/2023 UGC)

- 1) Similar to last year, OACT intends to post the advance Q&A file the morning of the Thursday User Group Calls
 - The questions for this week's call were posted on the CMS website this morning at <https://www.cms.gov> > Medicare > Medicare Advantage Rates and Statistics > Actuarial Bid Questions within the CY2024 Actuarial Bid Questions document. You may want to open this file to follow along during the Q&A portion of this call.
 - This file will only contain the questions asked in advance that we plan to address on the call. The responses will not be included in this early posting but will be posted as usual on the Friday after the call.
 - The intent of this advance posting is to help listeners follow along during the Q&A portion of the call.
 - Note that this is just a draft and some questions could be added/removed/or modified prior to the final posting.
 - If a response read on the call is not clear, please ask additional questions either live on the call or by submitting them in writing to the actuarial-bids mailbox.
 - In order to help us respond in a timely manner to feedback that involves other areas of CMS, we ask that you please copy the appropriate resource mailboxes in addition to any emails sent to the actuarial-bids mailbox. These email addresses can always be found in the introductory note within the UGC Q&A file.
 - Also note that some questions require more discussion and coordination among our group and may be postponed until a later call if necessary.
 - We also plan to post the key announcements from our call each week following the call, similar to last year.

- 2) CY2024 Bid Forms and Instructions
 - BPTs and bid instructions were released via HPMS on Friday, April 7th
 - The files were also posted on the CMS website, under: <https://www.cms.gov> > Medicare > Medicare Advantage Rates & Statistics (under the Health Plans header) > Bid Form & Instructions >
 - It was brought to our attention that the add-in component was not automatically loading in the BPTs released on 4/7. We released corrected BPTs Monday evening.
 - We appreciate the feedback we received during the industry beta testing period. We have incorporated clarifications within the bid instructions.
 - Bid Pricing Tool Changes from Beta Release (Part D BPT)
 - CMS Full Credibility updated to 60,000 member months
 - Updated Insulin AE tests on Worksheet 4 and 5 to remove the LI benes in the GAP from the <\$35 test
 - Instruction Changes from Beta Release
 - MA Instructions:
 1. We updated the credibility guidelines as proposed in February.
 2. We clarified the rules for reporting hospice revenue and net medical expenses on worksheet 1.
 3. We have updated Appendix E to include the case in which the total Part D premium is equal to zero.

4. We have confirmed in Appendix B that all substantiation pertaining to the bid must be provided regardless of whether it was prepared by the certifying actuary, prepared by others, or is based on a reliance.
 5. We clarified the guideline regarding adjustments to gain/loss margin during rebate reallocation for compliance with TBC requirements.
 - Part D BPT Instructions
 1. We updated the credibility guidelines as proposed in February.
 2. We clarified that the new Sections III and IV for Insulins and Vaccines on Worksheet 6 are to include LICS but exclude Coverage Gap Discount Amounts.
 3. We corrected the calculation for the “Total Covered Part D Spending at OOP Threshold for Non-Applicable Beneficiaries” and “Estimated Total Covered Part D Spending at OOP Threshold for Applicable Beneficiaries”.
 4. We have confirmed in Appendix B that all substantiation pertaining to the bid must be provided regardless of whether it was prepared by the certifying actuary, prepared by others, or is based on a reliance.
- 3) Actuarial Bid Training
- A basic overview of the Medicare Advantage and Part D programs and bid forms for actuaries and other interested parties can be downloaded and printed at any time from the OACT webpage (<https://www.cms.gov/medicare/medicare-advantage-rates-statistics/actuarial-bid-training>).
 - The training consists of 3 sessions:
 - Introduction to Bidding
 - BPT 101
 - Introduction to Bid Review, Audit, and Bid Improvement Initiative
- 4) OACT has released an updated MA PBP to BPT Comparison Tool via the CMS website at: CMS Home > Medicare > (Health Plans) Medicare Advantage – Rates & Statistics > Bid Forms & Instructions > 2024. Updates include changes for the PBP module updates since the Draft tool was released, optimization adjustments, and the preliminary 2024 Part C cost sharing amounts announced in the February 24th HPMS memo.
 - 5) The Office of the Actuary has posted the following ratebook-related items on the CMS website at: CMS Home > Medicare > (Health Plans) Medicare Advantage - Rates & Statistics > FFS Trends.
 - FFS unit cost trends for 2022-2024
 - Non-ESRD fee-for-service reconciliation: ratebook vs USPCC, 2019-2021
 - 6) The Office of the Actuary has posted documentation of the development of the 2024 MA actuarial equivalent factors on the CMS website at CMS Home > Medicare > (Health Plans) Medicare Advantage - Rates & Statistics > Bid Forms and Instructions > 2024
 - 7) An HPMS memo entitled “Final CY 2024 Part D Bidding Instructions” was released on April 4th. This document contains information on the Part D program, and provides helpful instructions and reminders as Part D sponsors prepare to submit bids for CY 2024.

- 8) The CY2024 Final C&D Regulation was released and can be found at:
<https://www.federalregister.gov/public-inspection/2023-07115/medicare-program-contract-year-2024-policy-and-technical-changes-to-the-medicare-advantage-program>.
- 9) During the CY2023 audits, a common finding was that the old MSP factor of 0.173 was used. The MSP factor for working aged and working disabled (non-ESRD) was changed from 0.173 to 0.136 in CY2023. Please ensure you are using the new factor.
- 10) We have received several questions regarding the way LICS should be adjudicated for insulins. PDE guidance will be forthcoming by the end of April.
- 11) Bid Submission
 - On May 5, 2023, CMS will release the CY 2024 Bid Submission module in HPMS.
 - See the HPMS memo released on March 20th for information about changes resulting from the implementation of the new Plan Benefit Package (PBP) module and suggestions for navigating the process.
- 12) Release of risk score data for CY2024 bidding
 - Plan-level data has been posted in HPMS and beneficiary-level files have been sent to plan sponsors.
 - Please see the HPMS memos dated April 12th for more details about the beneficiary-level files and the technical notes included with the plan-level data posted on HPMS for details about the plan-level data.
 - Any questions regarding the risk score data should be sent to RiskAdjustmentPolicy@cms.hhs.gov

Announcements (4/20/2023 UGC)

- 1) Final Contract Year 2024 Part C Benefits Review and Evaluation Memo was released last Friday
- 2) New Resubmission Process
 - Resubmission requests can now be made separately in the different components (MA Benefits, PD Benefits, Pricing) and not all portions of the bids need to be resubmitted each time
 - The certifying actuary is one of contacts on the distribution list for resubmission requests so should be aware of all activity
- 3) The Narrative Supporting the 2024 Growth Rate has been posted on the CMS webpage at CMS Home > Medicare > (Health Plans) Medicare Advantage - Rates & Statistics > FFS Trends.

Announcements (4/27/2023 UGC)

1) Release of plan-specific TBC data

- Plan specific TBC data was posted in HPMS at: HPMS Home > Quality and Performance > Performance Metrics > Costs > Part C Total Beneficiary Costs
- If you are having issues accessing this data, please contact the HPMS Help Desk at 1-800-220-2028 or hpms@cms.hhs.gov
- Any questions regarding the plan-specific TBC data can be sent to actuarial-bids@cms.hhs.gov
- Any questions beyond the plan-specific TBC data (ex: questions on the memo or regarding OOPC/TBC policy) should be sent to <https://mabenefitsmailbox.lmi.org/>

Announcements (5/04/2023 UGC)

- 1) Bid submission functionality in HPMS available starting tomorrow
 - *We ask that each organization “test the process” early*
 - A bid can be submitted repeatedly until the deadline, (11:59 PM PT) Monday, June 5th, at which time all gates close
- 2) OOPC Model Release
 - The Contract Year (CY) 2024 OOPC for Part D is available in SAS software via the CMS website
 - CY 2024 Part C Bid Review OOPC Model will be available in mid-May 2023
 - The CY 2024 Bid Review OOPC Models for Part C and Part D allow stand-alone Prescription Drug Plans (PDPs) and Medicare Advantage Organizations (MAOs) to calculate OOPC values for each of their plan offerings for CY 2024
 - See HPMS memo released on Friday, April 28th for more information
- 3) OACT has posted a revised Non-ESRD USPCC 2024 Reconciliation exhibit on the CMS website at: CMS Home > Medicare > (Health Plans) Medicare Advantage - Rates & Statistics > FFS Trends. Part A entries in row 14 of the USPCC reconciliation exhibit were corrected. The change also impacted Part A rows 17, 24, and 25.

Announcements (5/11/2023 UGC)

There are no new announcements.

Announcements (5/18/2023 UGC)

- 1) On May 16, 2023 CMS issued the memo entitled, “Prescription Drug Event Record Reporting Instructions for the Implementation of the Inflation Reduction Act for Contract Year 2024” via HPMS. This memo presents the PDE reporting instructions effective January 1, 2024, consistent with the provisions of the IRA, that are effective January 1, 2024 in the Part D program. If you have any questions regarding the PDE reporting requirements for 2024, please direct them to PDE-Operations@cms.hhs.gov.
- 2) On May 16, 2023 CMS issued the memo entitled, “Update Regarding Contract Year 2024 Part C Bid Review Out-of-Pocket Cost (OOPC) Model” via HPMS. This memo provides an update on the timing of the OOPC model release.

Announcements (5/25/2023 UGC)

- 1) On last week's UGC a question was asked live regarding the ability to upload multiple BPTs at once. On the upload page, users can select multiple BPTs to upload at one time.
- 2) Bid submission functionality in HPMS available
 - *We ask that each organization "test the process" early*
 - A bid can be submitted repeatedly until the deadline, (11:59 PM PT) Monday, June 5th, at which time all gates close
- 3) OACT will be conducting preliminary checks for inconsistencies between the PBP and the MA BPT. We will notify plans of these inconsistencies by email May 31 through June 5. We realize the bids you have submitted so far may not be final. Nevertheless, the notices provide a chance to reconcile these inconsistencies prior to the submission deadline.
- 4) OACT will also be conducting additional bid quality checks again this year. Plans can avoid being contacted with issues by carefully peer reviewing their bids. We intend to send out emails to plans May 31 through June 5 for bids already uploaded into HPMS to help ensure compliance prior to final bid submission.
- 5) CMS plans to release the CY2024 Part D Bid Review OOPC Model – May FRF Refresh on the OOPC model page by the end of this week. A notice will be placed on the HPMS Landing page, when the refreshed model is available.
- 6) TBC Update
 - We've received feedback from MA organizations indicating concerns related to the CY 2024 OOPC model not being released prior to the bid deadline and its impact on TBC evaluation process during the bid review season.
 - As indicated in the May 16, 2023 memo, CMS acknowledges that while the absence of the CY 2024 Part C OOPC model may present challenges for MAOs in preparing their bids, the scope and complexity of the data transformation required due to changes to the CY 2024 Plan Benefit Package (PBP) has necessitated this delay. CMS notes that the CY 2024 Part C model is not expected to present significant differences in results as compared to the CY 2023 baseline model.
 - MAOs are required to submit their best accurate and complete bid(s) by the statutory bid submission deadline (Monday, June 5, 2023 at 11:59 PM PDT). CMS will consider the timing and delay of the CY 2024 Part C OOPC model release when we consider potential compliance actions. A good faith effort to comply with the TBC evaluation does not constitute an inaccurate or incomplete bid as long as the bid complies with other applicable laws, rules, instructions, and CMS guidance.
 - Consistent with past practice, we will work with MAOs during the bid review process to address initial bids that do not comply with CMS requirements or are unsatisfactory. We expect to include additional information in our bid review communication materials sent to MAOs having plans with TBC issues. For example, we are exploring the ability to include CY 2023 and CY 2024 OOPC values by PBP service category for plans with TBC issues to help MAOs identify potential remedies.

Announcements (6/01/2023 UGC)

- 1) An updated PBP to BPT tool (version 3b) was posted to the CMS webpage this morning at: www.cms.gov > Medicare > Medicare Advantage Rates & Statistics (under the Health Plans header) > Bid Forms & Instructions > 2024
 - This update fixes issues in reading in PBP data for Medicare FFS cost sharing and VBID, SSBCI, and MA Uniformity Flexibility benefits
- 2) As a reminder, Section 11201 of the Inflation Reduction Act provides premium stabilization beginning in 2024 by capping base beneficiary premium increases per year to 6 percent. A base beneficiary premium entry on the Part D BPT Worksheet 7 that is in excess of the capped amount is inappropriate.
- 3) The bid submission deadline is 11:59 PM PT on Monday, June 5th
 - Supporting documentation required with the initial bid submission must be submitted by this same deadline
- 4) If you need assistance with actuarial issues between today's call and Monday's deadline, e-mail your question/issue to: actuarial-bids@cms.hhs.gov
 - We will do our best to respond as quickly as possible
- 5) Any issues related to bid upload should be directed to the HPMS Help Desk at: 1-800-220-2028 or hpms@cms.hhs.gov
- 6) The actuarial certification process will be similar to last year
 - The initial actuarial certification deadline will be Friday, June 9th. Please see the HPMS memo that was released yesterday for more details.
- 7) Shortly after the bids are received, the bid review process will begin. OACT has contracted with several actuarial firms, similar to previous years
 - We request your cooperation and responsiveness when contacted during the bid review process
 - Please ensure that staff are equipped to answer bid review inquiries if you will be out of the office
 - We ask that you confirm receipt when you receive an inquiry to a bid review.