

Announcements (4/11/2024 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 > Payment > Medicare Advantage Rates and Statistics > Actuarial Bid Questions within the CY2025 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) CY2025 Bid Forms and Instructions

- BPTs and bid instructions were released via HPMS on Friday, April 5th
- The files were also posted on the CMS website, under:
<https://www.cms.gov> > Medicare > Payment > Medicare Advantage Rates & Statistics > Bid Form & Instructions >
- 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
 - Corrected Max Part B buydown amount in MA BPT from \$174.80 to \$174.70
 - Part D BPT - Worksheet 1 Section III Line 9 - Manufacturer Discount input cell G38 - Grayed out as not applicable until CY2027.
 - Part D BPT - Rebates attributable to Federal Reinsurance cell on WS3 (Cell M27), WS4 (Cell I54) and WS5 (Cell M55) are now inputs
- Instruction Changes from Beta Release
 - MA Instructions
 1. We have removed the qualifications on how to report related party information on MA worksheet 4 to be consistent with the changes made to related party reporting in the pricing considerations and Appendix B.
 2. We have updated guidance for rebate reallocation in Appendix E in response to feedback from industry.
 3. The Medicare Advantage Value-Based Insurance Design Hospice Benefit Component is ending as of December 31, 2024. In the PBP, plans must answer "no" to the following question, or the bid will be rejected: "Does

this plan offer VBID Hospice Benefits?” Therefore, enter “N” for the MA BPT VBID-H indicator on worksheet 1.

▪ Part D BPT Instructions

1. We have added supporting documentation requirement 6.6 which requires support for the development of the rebates attributable to federal reinsurance on Worksheets 3, 4, and 5 including the distribution of applicable and non-applicable reinsurance allocations.

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/payment/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) The Office of the Actuary has posted the following ratebook-related items on the CMS website at: CMS Home > Medicare > Payment > Medicare Advantage - Rates & Statistics > FFS Trends.

- FFS unit cost trends for 2023-2025
- FFS per capita trends for 2020-2025

5) The Office of the Actuary has posted documentation of the development of the 2025 MA actuarial equivalent factors on the CMS website at CMS Home > Medicare > Payment > Medicare Advantage - Rates & Statistics > Bid Forms and Instructions > 2025

6) The CY2025 Final C&D Regulation was released and can be found at:

<https://www.federalregister.gov/public-inspection/2024-07105/medicare-program-medicare-advantage-and-the-medicare-prescription-drug-benefit-program-for-contract>

7) Bid Submission - On May 3, 2024, CMS will release the CY 2025 Bid Submission module in HPMS.

8) Release of risk score data for CY2025 bidding

- Bene-level files released to support MA and Part D bidding
- See HPMS memo from 4/8 that provides information on beneficiary-level files and informs plans that there may be potential action that is needed for them to accept these new files.

9) Please remember that if you would like your questions answered on the call and a written response posted on our webpage, you must submit your questions at least 48 hours in advance of the call.

Announcements (4/18/2024 UGC)

- 1) OACT has released CY2025 industry tools via the CMS website at: CMS Home > Medicare > Payment > Medicare Advantage – Rates & Statistics > Bid Forms & Instructions > 2025
 - MA PBP to BPT Comparison Tool
 - Gain/Loss Margin Tool
 - Rebate Reallocation Tool
 - A training for rebate reallocation, which will include details about using the rebate reallocation tool, will likely be released at a later date. The first worksheet of the rebate reallocation tool contains user instructions.
 - A CY2025 Rebate Reallocation and Premium Rounding flowchart has also been posted.
 - Questions related to rebate reallocation will be responded to at a later date. We hope that the rebate reallocation tool will assist in answering some of the questions we have already received.
- 2) On April 15, 2024, CMS issued the memo entitled, “Prescription Drug Event Record Reporting Instructions for the Implementation of the Inflation Reduction Act for Contract Year 2025” via HPMS. This memo presents the PDE reporting instructions effective January 1, 2025, consistent with the provisions of the IRA, that are effective January 1, 2025 in the Part D program. If you have any questions regarding the PDE reporting requirements for 2025, please direct them to PDE-Operations@cms.hhs.gov.
- 3) DSNP Look-Alike Threshold
 - The CY 2025 MA and Part D Final Rule amended the regulation at 42 CFR 422.514(d)(1) to provide that, for contract year 2025, CMS will not enter into or renew a contract for a MA plan – other than a SNP or MMP – that has projected dually eligible enrollment of 70 percent or more in its bid for 2025.
 - This is a change from prior years where the dually eligible threshold was 80 percent.
- 4) The Office of the Actuary has posted the Non-ESRD fee-for-service reconciliation: ratebook vs USPPC, 2020-2022 on the CMS website at: CMS Home > Medicare > Payment > Medicare Advantage - Rates & Statistics > FFS Trends.
- 5) An error was discovered in the 2021 experience in the Maryland Primary Care shared savings file within the “2022 FFS Data” folder and the file has been corrected on cms.gov.
- 6) On the 4/11/24 UGC, there was a question asked during the live Q&A regarding the re-calculation of the Part D Regional Benchmarks using March 2024 Enrollment. We would like to clarify that in years prior to CY2025, this calculation used the published Direct Subsidy and premiums as part of this re-calculation. However, in the CY2025 Part D Instructions, the re-calculation of the Part D Regional Benchmarks included the re-calculated Direct Subsidy (\$26.38).
- 7) Release of 2025 OOPC Models
 - 2025 Out-of-Pocket Cost models were released via the CMS website at: www.cms.gov > Medicare > Coverage > Prescription Drug > Out-of-Pocket Costs
 - See the HPMS memo released on April 16th for more information
 - For technical questions about the OOPC models, please email OOPC@cms.hhs.gov

Announcements (4/25/2024 UGC)

- 1) Reminder - plan sponsors are required to retain bid data for bid audit – this includes any calculations done to support the bid, regardless of level of detail.
- 2) Reminder - OACT released a new Rebate Reallocation tool last week. It is posted on the CMS website at: CMS Home > Medicare > Payment > Medicare Advantage – Rates & Statistics > Bid Forms & Instructions > 2025. Many of the questions we received last week regarding rebate reallocation scenarios can be answered by using this tool. If you still have questions after using the tool, please send follow up questions to the actuarial-bids mailbox.

Announcements (5/02/2024 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 3rd, at which time all gates close.

Announcements (5/09/2024 UGC)

1) Rebate Reallocation Training

- Posted on the CMS website at <https://www.cms.gov> > Medicare > Payment > Medicare Advantage Rates and Statistics > Actuarial Bid Training
- This training provides a clear understanding of CMS' expectations for how rebates are reallocated after the release of the final Part D and RPPPO benchmarks. The rebate reallocation process is an important part of the approval of Medicare Advantage and Part D bids. Actuaries and other interested parties should adhere to the Guidelines as detailed in Appendix E of the CMS' instructions and explained in the video training.
- The training consists of the following 5 sessions:
 - 1) Chapter 1 Overview
 - 2) Chapter 2 Permissibility
 - 3) Chapter 3 Guidelines
 - 4) Chapter 4 Review
 - 5) Chapter 5 Demo
- The training is also provided as a PDF handout with all the slides and the full script.

2) Final Contract Year 2025 Part C Benefits Review and Evaluation Memo was released May 6th.

3) An updated CY2025 MA OOPC Model was released May 2nd. The updated CY 2025 Part C OOPC Model corrects an issue related to the Maximum Plan Benefit and Maximum Out-of-Pocket (MOOP) periodicity for dental benefits.

4) 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/>

5) Bid submission functionality in HPMS is 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 3rd, at which time all gates close.

Announcements (5/16/2024 UGC)

- 1) Bid submission functionality in HPMS is 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 3rd, at which time all gates close.
- 2) OACT released an updated rebate-reallocation tool. The two updates included are:
 - Tests for BPTs that have a negative Part D basic premium prior to rebate reallocation and positive Part D basic premium after the benchmark release; and
 - The tool displayed the wrong text for permissibility in cell G1 in some circumstances where an MAO chose not to participate in rebate reallocation (the second update has no effect on the analysis or results of the tests that the tool evaluates).”

Announcements (5/23/2024 UGC)

- 1) CMS has released an updated version of the BPT add-in file to correct two issues with the Part D BPT. The first update populates the finalized XML file with three fields on WS 6 (cells G54, J54, and K21) of the Part D BPT. The second update corrects the red circle validation on PD Worksheet 3 cells H12 and H13.
 - All Part D organizations must submit or resubmit their PD BPT(s) using the updated version of the BPT add-in file.
 - The CY 2025 MA, MSA, and ESRD BPTs may use the original add-in file or the updated version.
 - See HPMS email blast from May 23 for more information on how to download the updated add-in file.
- 2) Bid submission functionality in HPMS is 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 3rd, 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 29 through June 3. 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 29 through June 3 for bids already uploaded into HPMS to help ensure compliance prior to final bid submission.

Announcements (5/30/2024 UGC)

- 1) Reminder CMS has released an updated version of the BPT add-in file to correct two issues with the Part D BPT. The first update populates the finalized XML file with three fields on WS 6 (cells G54, J54, and K21) of the Part D BPT. The second update corrects a red circle validation on PD Worksheet 3 cells H12 and H13.
 - All Part D organizations must submit or resubmit their PD BPT(s) using the updated version of the BPT add-in file.
 - The CY 2025 MA, MSA, and ESRD BPTs may use the original add-in file or the updated version.
 - See HPMS email blast from May 23rd for more information on how to download the updated add-in file.
- 2) A refreshed version of the Part D Bid Review OOPC model based on the CY2025 May Formulary Reference File (FRF) update has been posted to the OOPC Resources page. Please refer to the HPMS blast sent out on May 24th for more information.
- 3) The bid submission deadline is 11:59 PM PT on Monday, June 3rd.
 - 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 7th. 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.