# Cell and Gene Therapy (CGT) Access Model Overview for States

Center for Medicare and Medicaid Innovation February 8, 2024



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# Welcome and Introductions



## Today's Presenters



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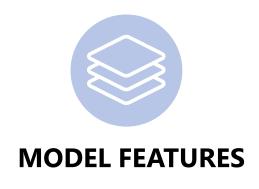


Jason Petroski Director Division of Drug Innovation Seamless Care Models Group



# Today's Objectives

This webinar will address the following questions:



- How will the CGT Access Model work?
- What might the CGT Access Model's negotiated deal look like?



STATE PARTICIPATION & SUPPORT

- Why should states join the CGT Access Model?
- How else does the CGT Access Model help states ensure access to gene therapy?
- What would states have to do to participate in the CGT Access Model?
- How can states join the CGT Access Model?



# Model Overview



#### Model Framework

The CGT Access Model aims to bring states together to negotiate collectively with manufacturers, supported by CMS.

The Cell and Gene Therapy (CGT) Access Model is a framework wherein CMS negotiates with manufacturers on behalf of states for outcomes-based agreements (OBAs) for CGTs that cover Medicaid enrollees.







CMS directly negotiates
Key Terms of OBAs with
manufacturers

States decide whether to enter into agreements with manufacturers regarding OBA Key Terms CMS supports implementation, reconciliation, and evaluation



# State Eligibility

Which states are eligible to participate in the CGT Access Model?



#### **Who Can Apply**

All states and territories that participate in the Medicaid Drug Rebate Program (MDRP) are encouraged to apply for the model.



#### **Letter of Intent**

States are encouraged to provide input on the model by meeting with the model team and submitting non-binding letters of intent (LOIs).



#### **Model Start**

States can apply to the model beginning in December 2024. The model will begin in 2025 with a "rolling start" – states can choose to begin participation from January 1, 2025, to January 1, 2026.



## Model Populations

The CGT Access Model will focus on Medicaid beneficiaries with sickle cell disease (SCD) in participating states.



#### **Primary Population**

Beneficiaries for whom Medicaid is the primary payer and Medicaid expansion Children's Health Insurance Program (CHIP) beneficiaries ("Title XIX beneficiaries") in fee-for-service and Medicaid managed care.\*

\*The Model includes an option for manufacturers and states to include separate Title XXI CHIP beneficiaries through separate agreements.

#### **Eligible Beneficiaries**

Beneficiaries in the model population with sickle cell disease (SCD) who receive a gene therapy made by a participating manufacturer.

Jan 1, 2025



During the "rolling start" period (2025), states may choose to begin with only their fee-for-service members and bring their managed care lives into the agreement as late as January 1, 2026.

Jan 1, 2026





#### Where Are We Now?

CMS is currently engaging interested stakeholders to gather additional insights.

#### **Executive Order**



CMS developed the CGT Access Model in response to President Biden's Executive Order 14087, Lowering Prescription Drug Cost for Americans

# Model Announcement

Information about the CGT Access Model is available via the model website, the Model Overview Webinar, and this State Webinar

# Manufacturer Negotiation

CMS will negotiate Key Terms of an outcomesbased agreement (OBA) on behalf of states

#### **Model Launch**



CMS will support states in administering OBAs through collection of clinical and claims data, payment reconciliation, and evaluation

#### **Model Design**



CMS incorporated insights from conversations with stakeholders (states, manufacturers, beneficiary groups, clinicians)

# **Engagement with Interested Parties**



CMS seeks additional input from states, clinicians, and patient groups on the model

States can meet with CMS and submit non-binding letters of intent



#### **State Applications**

CMS will disclose the negotiated Key Terms of the OBA to states

States will decide whether to participate and may seek optional funding



# Why States Should Join



# Challenges with Gene Therapy

The CGT Access Model aims to help states in the following ways:



High cost of expensive gene therapies



Clinical uncertainty for newly approved gene therapies



Burden of negotiating and implementing OBAs for gene therapies



Population with high health care utilization that has been historically underserved

CMS will be positioned to negotiate greater discounts through pooled, multi-state bargaining

OBAs provide the possibility of additional rebates in cases where treatment with gene therapies does not produce expected results

CMS will support states in implementing, monitoring, reconciling, and evaluating the financial and clinical outcomes outlined in OBAs

Greater access promotes health equity and may drive long-term reductions in health expenditures



# CMS Support for States

States can negotiate supplemental rebates on their own, but through the CGT Access Model, CMS can offer:

#### 1. OBA negotiation

- Burden of negotiating with manufacturers
- Greater leverage through pooled, multi-state bargaining, a standardized access policy across states, and manufacturer payment for fertility preservation

#### 4. Optional funding

- Support implementation of model requirements
- Support activities that promote equitable access to care



## 2. Favorable pricing and OBA structures

- Greater negotiation leverage may lead to discounted pricing
- Broader OBAs that incorporate multiple types of value-based rebates
- Ability to incorporate multiple types of outcomes through claims data and partnerships with patient registries

#### 3. Support in OBA implementation

- Technical assistance for model implementation
- Monitoring, reconciling, and evaluating the financial and clinical outcomes outlined in OBAs



# Potential Outcomes-Based Agreement (OBA) Structure



# Potential Negotiated OBA Key Terms

CMS will negotiate Key Terms of OBAs with manufacturers on behalf of states.

#### **Key Terms may include...**

Rebate structure

Manufacturer payment for fertility preservation

Standardized access policy

CMS support in OBA implementation

States will be responsible for their share of the gene therapy cost, but at a discounted price tied to specific outcomes, as negotiated by CMS.

#### **Negotiation Timeline:**



CMS will negotiate the Key Terms with manufacturers.

CMS will disclose the Key Terms to states.

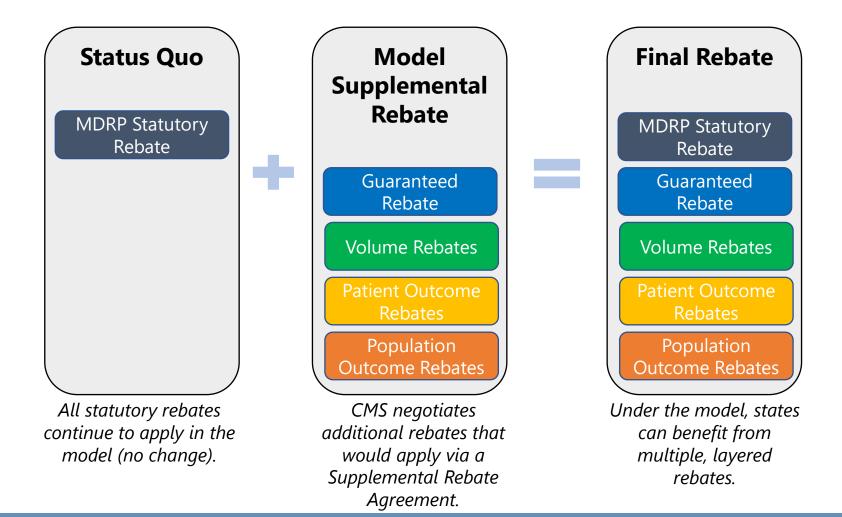
CMS intends to represent states' interests in negotiations.

States may express their priorities to CMS through a non-binding letter of intent (LOI) and by meeting with the model team.



#### Potential Rebate Structure

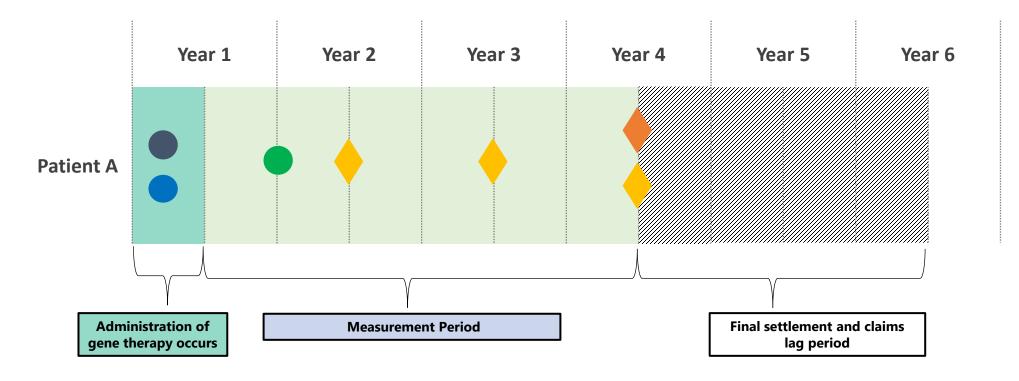
Pricing may reflect both the statutory rebate and the CMS-negotiated rebates, including volume-based and outcome-based rebates.

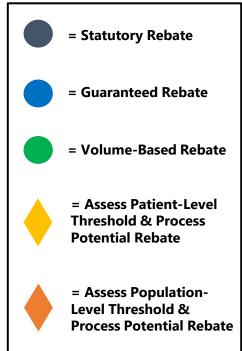




### Potential Rebate Structure

Rebates may be paid over time, based on the rebate type.

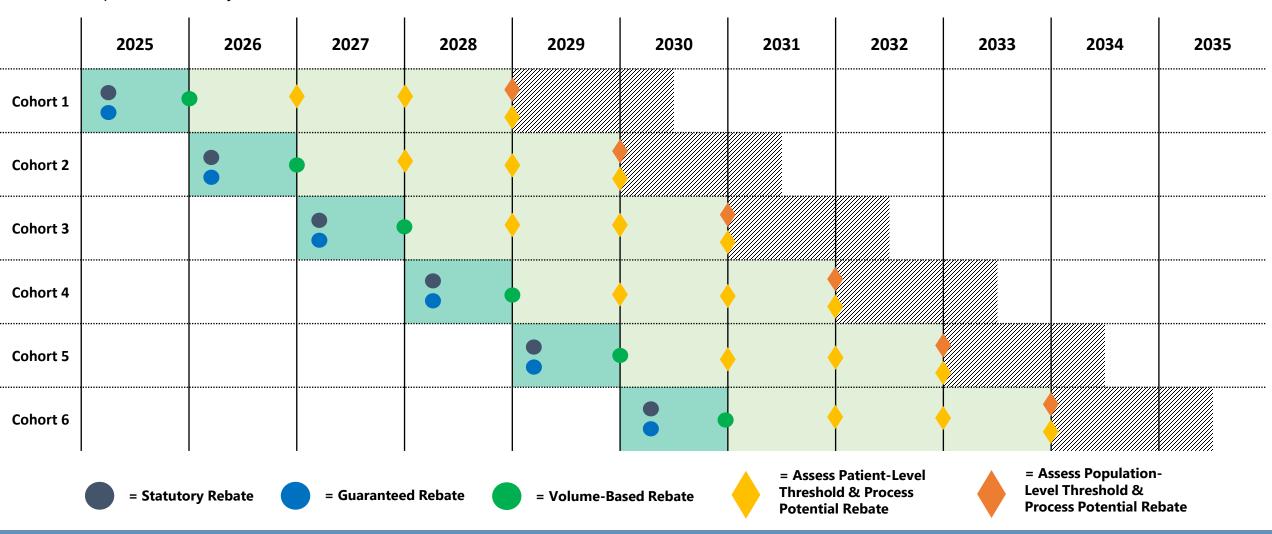






### Potential Rebate Timeline

Multiple cohorts may be tracked over the model lifetime.





# Ensuring Equitable Access to Sickle Cell Disease (SCD) Gene Therapy Care



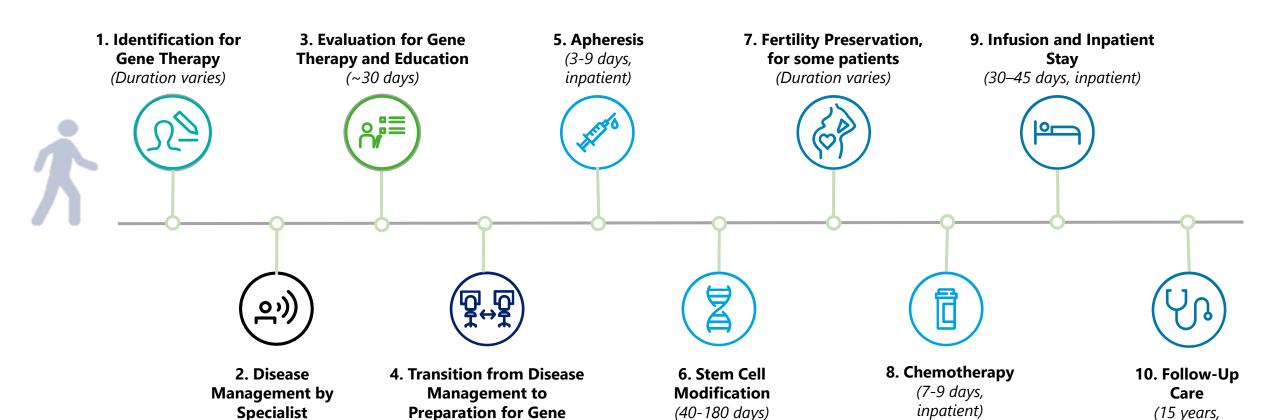
# Care Journey

(Duration varies)

The recommended care journey for SCD gene therapy is long, rigorous, and complex.

Therapy

(60-90 days)





outpatient)

# Funding to Address Gaps and Barriers

The CGT Access Model will provide optional state funding through a Cooperative Agreement. Funding will be available to help states implement the Model, as well as to support states that engage in activities that would increase equitable access to gene therapy and promote multidisciplinary, comprehensive care for beneficiaries with SCD receiving gene therapy.

	Topic	Challenges	State Options to Address
	Patient Knowledge	<ul> <li>Patient awareness of gene therapy</li> <li>Patient knowledge of &amp; access to non-emergency medical transportation (NEMT)</li> </ul>	<ul><li>Partnering with CBOs and non-profits</li><li>Directly expanding or increasing</li></ul>
U.	SCD Care	<ul> <li>Access to SCD specialist</li> <li>Access to out-of-state providers</li> </ul>	reimbursement rates for these benefits including through the existing optional SCD benefit.
+	Other Specialty Care	<ul> <li>Access to behavioral health providers</li> <li>Access to other specialty care services and providers</li> </ul>	More details will be released in a Notice of Funding Opportunity by Summer 2024.
<b>*</b>	Social Needs	Health-related social needs (HRSNs), including childcare	
	Care Coordination	<ul> <li>Care coordination / Patient navigation</li> <li>Navigating changes in insurance coverage</li> </ul>	



# Manufacturer Support to Address Barriers

CMS will also negotiate with manufacturers to address access barriers.



#### Fertility Preservation



#### **Treatment Centers**

CMS will require manufacturers to pay for fertility preservation services.

- Manufacturers pay for collection, cryopreservation, and storage of reproductive materials in clinical trials
- Meets conditions of CMS-sponsored model safe harbor 42 CFR 1001.952(ii)

CMS intends to negotiate an access policy with manufacturers that ensures treatment centers offer appropriate, multi-disciplinary care.

- Behavioral Health Services (mental health, SUD treatment, pain management)
- Case Management



# State Participation



# Key Requirements for States

States participating in the CGT Access Model must meet the following requirements:\*



Execute value-based purchasing supplemental

that reflect the Key Terms negotiated by CMS

rebate agreements (VBP SRAs) with manufacturers

More details will be released in the State Request for Applications by Summer 2024.



Pursue state plan amendments (SPAs) where

appropriate

<sup>\*</sup> As applicable, these requirements apply with respect to a state's beneficiaries enrolled in fee-for-service and Medicaid managed care. As discussed earlier, a state may choose to begin in 2025 with only their fee-for-service members and bring their managed care lives into the agreement as late as January 1, 2026.

# Model Timeline



#### How to Join

Please keep in mind the important items and dates below:



#### **Optional: Submit a non-binding LOI**

- Letter of Intent (LOI) template is available now on the model website and has been emailed to states.
- Responses are important to help CMS represent state priorities in negotiation with manufacturers.
- Due April 1, 2024.



#### Required: Apply to join the model

- State Request for Applications will be released by Summer 2024.
- States can apply December 2024 to February 2025;
   CMS will review applications on a rolling basis.
- States may begin participation between January 2025 and January 2026.



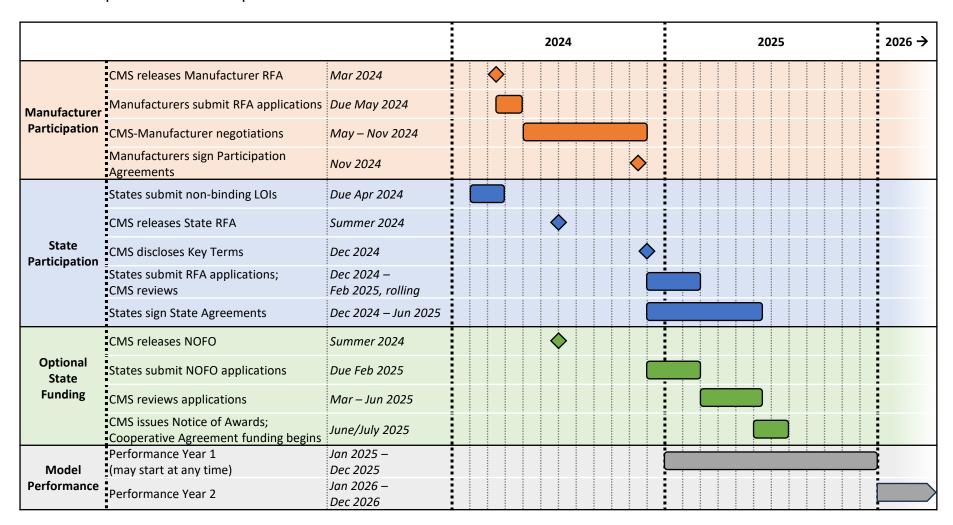
#### **Optional: Apply for model funding**

- Notice of Funding Opportunity (NOFO) will be released by Summer 2024.
- States can apply December 2024 to February 2025.
- CMS will issue Notice of Awards (and initial funding will be released) as early as June/July 2025.



#### Model Launch Timeline

Please keep in mind the important items and dates below.



#### **LEGEND**

- Manufacturer activities
- State activities
- Funding timeline
- Model performance timeline



# Question & Answer Session



## Please Complete Our Survey



#### We appreciate your input!

Please click the link posted in the chat to take our survey. We would love to learn how to make our events better.



## Question & Answer



## Open Q&A

Please **submit questions via the Q&A pod** to the right of your screen. Specific questions about your organization can be submitted to <a href="mailto:CGTModel@cms.hhs.gov">CGTModel@cms.hhs.gov</a>.

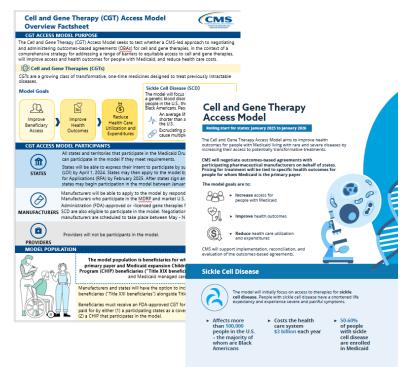


# Closing and Resources



#### Model Resources

The CGT Access Model team has a host of resources to support interested organizations. To see the latest resources, visit the model's website at <a href="https://www.cms.gov/priorities/innovation/innovation-models/cgt">https://www.cms.gov/priorities/innovation/innovation-models/cgt</a>.









#### **Model Factsheet and Infographic**

Read through the <u>CGT Model Overview</u>
<u>Factsheet</u> and the <u>CGT Model Infographic</u> on the model website to learn more.



#### **State Letter of Intent (LOI)**

Non-binding LOI is due no later than 11:59pm EDT on April 1, 2024



#### Helpdesk

If you have questions or would like to meet with the model team, please reach out to us via email at to <a href="mailto:CGTModel@cms.hhs.gov">CGTModel@cms.hhs.gov</a>.



# Thank You for Attending this Webinar



We appreciate your time and interest!

Please take the survey following this webinar so we can learn how to make our events better.

Do you have questions? Email your comments and feedback to <a href="CGTModel@cms.hhs.gov">CGTModel@cms.hhs.gov</a> with subject line <a href="CGT Access Model State Announcement Webinar">CGT Access Model State Announcement Webinar</a>



# THANK YOU!

