

# User Group Call Date 02/25/2021

## Introductory note

- 1) For questions regarding bid instructions or completing the BPTs: [actuarial-bids@cms.hhs.gov](mailto:actuarial-bids@cms.hhs.gov)  
 For COVID-19 policy and benefit related questions: <https://protect2.fireeye.com/url?k=8e079ecc-d25387b0-8e07aff3-0cc47adc5fa2-730480acf6095ec9&u=https://ma-covid19-policybenefits.lmi.org/>  
 For Part C policy-related payment questions: [PartCpaymentpolicy@cms.hhs.gov](mailto:PartCpaymentpolicy@cms.hhs.gov)  
 For Part C policy-related questions (including OOPC/TBC policy): <https://mabenefitsmailbox.lmi.org/>  
 For Part D policy-related questions: [partdpolicy@cms.hhs.gov](mailto:partdpolicy@cms.hhs.gov)  
 For Part D benefit-related questions (including OOPC/TBC policy): [partdbenefits@cms.hhs.gov](mailto:partdbenefits@cms.hhs.gov)  
 For questions related to risk score models and released data: [riskadjustmentpolicy@cms.hhs.gov](mailto:riskadjustmentpolicy@cms.hhs.gov)  
 For questions related to the Encounter Data Processing System: [riskadjustmentoperations@cms.hhs.gov](mailto:riskadjustmentoperations@cms.hhs.gov)  
 For technical questions regarding the OOPC model: [OOPC@cms.hhs.gov](mailto:OOPC@cms.hhs.gov)  
 For questions related to the Health Plan Management System (HPMS): [HPMS@cms.hhs.gov](mailto:HPMS@cms.hhs.gov)  
 For questions related to the Medicare Advantage Prescription Drug system (MARx): [MARXSSNRI@cms.hhs.gov](mailto:MARXSSNRI@cms.hhs.gov)  
 For questions related to the Medicare Part D Coordination of Benefits: [PartD\\_COB@cms.hhs.gov](mailto:PartD_COB@cms.hhs.gov)

#	Topic	Date E-Mail Sent	E-mail Subject	E-Mail Body Text	CMS Response
1	Growth Rates	N/A	N/A	How many years of historical experience are used to calculate the FFS USPCCs?	The historical experience in the baselines supporting the USPCCs are based on tabulation by incurred year of paid claims and reserves for outstanding claims. The projection models include historical experience back to calendar year 1966.
2	Growth Rates	N/A	N/A	What adjustments are made to historical experience (e.g., repricing) when calculating the USPCCs?	The tabulation of the non-ESRD FFS USPCCs reflects the following adjustments to historical experience: (i) Remove expenditures for hospice care (per statute), (ii) Remove expenditures for health information technology (HIT) bonus payments (per statute), (iii) Reverse sequestration offset to claims, (iv) Remove National Claims History (NCH) claims paid on behalf of cost plan enrollees, and (v) Make adjustment to FFS trend for 2014-2020 to account for net migration of enrollment from FFS to Medicare Medicaid Plans (MMP).
3	Growth Rates	N/A	N/A	Will OACT please specify which payments from Medicare cost reports are included in the "outside the system" claims? Are they payments in addition to pass-through costs and bad debt payments?	These amounts reflect the cost report settlements in excess of the pass through estimates represented in the NCH claims. The settlements include direct graduate medical education (DGME), organ acquisition costs, bad debt, certain capital costs for new hospitals, nursing and allied health education costs, disproportionate share hospital payments, uncompensated care payments, and settlement with non-PPS providers.
4	Growth Rates	N/A	N/A	How does OACT exclude HMO and Cost Plan enrollees from the non-ESRD FFS USPCC? Are these members excluded based on their status at a point in time or the member month level?	Medicare Advantage and cost plan enrollees are excluded from the baseline projections supporting the USPCCs based on the beneficiary's monthly enrollment status, not as of a point in time.
5	Ratebook	N/A	N/A	The claims experience supporting non-ESRD ratebooks represent claims with Medicare status codes '10' and '20'. For enrollment how does OACT exclude ESRD beneficiaries from the non-ESRD FFS USPCC. Are these members excluded based on their status at a point in time or the member month level?	The ESRD beneficiaries reflected in the baseline projections and USPCC are tabulated monthly based on their dialysis and transplant status in Medicare Common Environment (CME). Our testing has revealed a close match of identification of ESRD beneficiaries based on MSC codes and the CME tables.
6	Ratebook	N/A	N/A	When developing risk scores used in the standardization of the ratebook FFS rate, are risk scores for beneficiaries with Part A only or Part B only included in the calculation?	No, Part A only and Part B only beneficiaries are excluded from the risk scores used in standardization of the CY2022 ratebook.
7	COVID-19	N/A	N/A	Can you provide the projected COVID-19 vaccination rates over the next several years?	The CY 2023 and CY 2024 USPCCs included in the 2022 Rate Announcement reflect annual COVID-19 vaccination rates that are fairly consistent with our estimate for CY 2022 (52 percent).
8	Enrollment	N/A	N/A	Can CMS provide the actual ESRD enrollment migration experienced during the 2021 annual election period (AEP) and how that impacts projections for 2022 and beyond?	Based on enrollment through February 2021, we estimate that about 40,000 beneficiaries in ESRD status migrated from Medicare FFS to Medicare Advantage during the 2021 AEP. We have not revised our baseline projection of MA ESRD enrollment to reflect actual 2021 experience.

## User Group Call Date 02/25/2021

#	Topic	Date E-Mail Sent	E-mail Subject	E-Mail Body Text	CMS Response
9	Fee For Service	02/19/2021 11:55	Home Health Trends	<p>The 2022 Announcement (“Announcement of Calendar Year (CY) 2022 Medicare Advantage (MA) Capitation Rates and Part C and Part D Payment Policies”) shows per capita spend on Home Health decreasing from 2019 to 2022 (page 20 and page 22). Since this is to 2022, I would not expect a negative impact due to the Covid-19. At the same time, FFS unit cost trends were estimated to increase by about +2% per year for Home Health. See the attached sheet that was released with the actuarial bid calls.</p> <p>Can you help me understand the cause in the drop in Home Health per capita in the Announcement?</p>	<p>The per-capita spending figures on pages 20-22 of the 2022 Rate Announcement are on a non-ESRD, per-beneficiary basis, including enrollment in both Medicare fee-for-service (FFS) and Medicare Advantage. The home health values can be tabulated per-FFS beneficiary by multiplying the per-capita values on page 20 or 22 by the total Aged + Disabled enrollment on page 18 and dividing by the FFS Aged + Disabled enrollment on page 18.</p> <p>Expressed on a per-FFS beneficiary basis, the Part A home health per-capita spending is estimated to be \$173.59 in 2019 and \$187.15 in 2022 yielding a ‘22/’19 trend of 7.8 percent. The corresponding ‘22/’19 trend for Part B home health is 6.5 percent per FFS beneficiary.</p>
10	Fee For Service	02/19/2021 11:30	CY2022 Bid Questions	Could you please provide the expected impact of DSH/UCP payment change on the inpatient unit cost trends from 2020 to 2021?	The approximate impact of the DSH/UCP payment change is a 0.3 percent increase.
11	Fee For Service	02/19/2021 11:30	CY2022 Bid Questions	Could you please provide the impact of baby boomers on the overall trend from 2021 to 2022 for Part A and Part B services separately?	The estimated impact of demographic shifts on the ‘22/’21 fee-for-service trend is –0.5 percent for Part A services and –0.1 percent for Part B services.
12	Fee For Service	02/19/2021 11:30	CY2022 Bid Questions	Has CMS observed any change in the average age of Medicare beneficiaries as a result of COVID?	We have not studied the impact of COVID-19 on the average age of Medicare beneficiaries.
13	Fee For Service	02/19/2021 11:30	CY2022 Bid Questions	With respect to projected physician costs, could you please provide the impact of the following for CY2019, CY2020, and CY2021? (a) Payment to MIPS and (b) Payment to APMs	<p>(a) MIPS payments are set to be budget neutral with the exception of \$500 million in additional payments each year.</p> <p>(b) Payments to qualified participants in advanced APMs are to be 5% of their Medicare payments. It is estimated that these 5% bonus payments are \$274 million in CY2019, \$403 million in CY2020, and \$324 million in CY2021.</p>
14	Fee For Service	02/19/2021 11:30	CY2022 Bid Questions	Can you please provide the estimated impact of the DME competitive bidding program on DME costs for 2019, 2020, and 2021?	In CY 2019, DME prices increases in non-competitive bidding areas are estimated to have increased DME spending by 2.4%. In CY2021, moving knee and back braces to competitive bidding is estimated to reduce DME spending by 2.0%.