

HPMS E-Mail

Date: April 5, 2024

Subject: Clarification on the MA-VBID Model Eligibility Requirements for Former Participants of the Financial Alignment Initiative

This memo addresses the eligibility requirements for former Medicare-Medicaid Plans (MMPs) to participate in the Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model in Calendar Year (CY) 2025. As noted in the CY 2025 VBID Request for Applications (RFA), the VBID Model considers the years that a plan has spent operating as an MMP under CMS's Financial Alignment Initiative (FAI) towards meeting the length of plan existence requirement. To satisfy the Star Rating eligibility to apply to the VBID Model, contracts that have transitioned out of the FAI must have met at least 60% of their Quality Withhold measures based on the most recently available year and meet the minimum membership requirement to receive a Star Rating. Former MMPs not meeting these and the other requirements laid out in the RFA will not be eligible for participation in CY 2025.