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**DATE:** May 5, 2023

**TO:** All Current and Prospective Medicare Advantage, Prescription Drug Plan, Section 1876 Cost, PACE, and Medicare-Medicaid Plan Organizations, Bid Consultants, and Actuarial Certification Consultants

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**SUBJECT:** Release of the Contract Year (CY) 2024 Bid Submission  
Functionality in HPMS

CMS is pleased to announce the release of the Contract Year (CY) 2024 bid upload functionality in the HPMS Bid Submission module. At this time, organizations should begin completing the 2024 bid submission upload requirements.

The HPMS memo released on March 20, 2023, entitled “Preparing for the Contract Year (CY) 2024 Bid Submission Process in HPMS,” announces this year’s most notable changes to the bid process, including the implementation of the new Plan Benefit Package (PBP), and provides suggestions for navigating the process. Please refer back to this memo for details.

To access the CY 2024 bid submission functionality, organizations should use the following navigation path in HPMS: HPMS Homepage > Plan Bids > Bid Submission > CY 2024 > Upload. For CY 2024, the bid submission deadline is **11:59 p.m. PDT on June 5, 2023**. If any of the submission requirements are not met by the June 5, 2023 deadline (11:59 p.m. PDT), the bid will not be sent forward for desk review.

The following components are required, as applicable, for a complete bid submission:

- Plan Benefit Package (PBP),
- Bid Pricing Tool (BPT) (if applicable),
- Service Area Verification (SAV),
- Plan Crosswalk (if applicable),
- Cost Sharing Justification (if applicable),
- Formulary Submission (if offering a Part D plan with a formulary),
- Formulary Crosswalk (if offering a Part D plan with a formulary),

- Substantiation (supporting documentation for bid pricing); and
- Model Documentation (if applicable).

After submission of the bid, organizations are also required to submit the following:

- Actuarial Certification and
- Supplemental Formulary Uploads.

Organizations should review the upload requirements described below, as some requirements may not be applicable for a given type of organization/plan.

**Note:** All MA, MA-PD, PDP, and cost-based plans are responsible for confirming that complete and accurate bids are submitted by the June deadline. Employer Group Waiver Plans are subject to the submission requirements that have not been waived. The CY 2024 bid submission requirements apply to the Medicare-Medicaid Plan (MMP) contracts except where noted below.

## Service Area Verification

CMS released the Service Area Verification (SAV) functionality on April 14, 2023. **All organizations that submit bids** must review their entire contract service area and applicable attributes (e.g., employer-only/special needs plan/pending/partial counties or regions) and provide concurrence or non-concurrence. Organizations that non-concur must provide an explanation as to what is incorrect with their contract service area, such as a county or region that is not listed or one that is erroneously listed. If there are counties that are erroneously listed or counties that an organization plans to withdraw from its service area, the organization should not assign these counties to any of its plans.

If an organization non-concurs with any portion of the contract service area, each noted discrepancy must be resolved with CMS as soon as possible. Service area issues may result in serious delays of the CMS bid desk review process. Once resolution is met with CMS, organizations must re-verify the contract service area and concur in HPMS as quickly as possible.

The SAV functionality provides the following information: the counties/regions assigned to a contract; whether it is an employer-only county/region; whether it is a Special Needs Plan (SNP) service area; whether it is a pending county/region; whether it is a partial county; the number of individual and SNP plans that contain that county/region; and the number of employer plans that contain that county/region. If the **Partial County** displays a “Yes,” organizations can select the “Yes” link to view the zip codes for that partial county. If the **Number of SNP Types** displays a number, organizations can select that number to view the SNP type(s) associated with the county. By selecting the “Number of Individual and SNP Plans” or “Number of Employer Plans” link, organizations can view the plan ID(s) that contains that county/region.

If an organization identifies an issue with its contract service area, please contact the appropriate person(s) as noted below:

MAO and PACE Service Area Issues (Individual and Employer Service Areas):

- <https://dmao.lmi.org/>

PDP Service Area Issues (Individual and Employer Service Areas):

- [PartD\\_Monitoring@cms.hhs.gov](mailto:PartD_Monitoring@cms.hhs.gov)

Special Needs Plan (SNP) Service Area Issues:

- <https://dmao.lmi.org/>

Medicare-Medicaid Plans Service Area Issues:

- [MMCOCapsModel@cms.hhs.gov](mailto:MMCOCapsModel@cms.hhs.gov)

## **Plan Crosswalk**

**All returning organizations** (i.e., organizations that existed in CY 2023) must complete a plan crosswalk in HPMS. Organizations will use this crosswalk to identify the relationships between their CY 2023 plans and CY 2024 plans. Please note that organizations will be required to complete the crosswalk for all contract numbers. CMS uses the plan crosswalk to identify whether plan enrollees must be moved to another plan for the upcoming contract year due to a plan reconfiguration, as well as to identify any beneficiary notification requirements.

The plan crosswalk cannot be changed after the bid submission deadline of June 5, 2023. The most recent version of the plan crosswalk in HPMS on June 5 will be the official crosswalk. If the crosswalk is not validated, the organization must correct it or select a different type of plan relationship. For additional guidance, please refer to the CY 2024 Release of the Non-Renewal and Service Area Reduction Module memo and the CY 2024 Crosswalk Guidance memo issued prior to bid submission.

## **Formulary Crosswalk**

Formularies will not be automatically crosswalked. Therefore, Part D organizations must complete the formulary crosswalk in HPMS. Formularies are due in HPMS via the Formulary Submission Module by June 5, 2023. In order for this requirement to be considered complete, all Part D plans under that contract must be assigned a formulary ID and all formularies submitted for an organization must be assigned to at least one plan. One formulary ID may be mapped to one or more plans. For Medicare-Medicaid plans, one formulary ID must be submitted for each plan. The formulary crosswalk cannot be changed after the bid submission deadline of June 5, 2023.

## Substantiation

Please refer to Appendix B of the MA Bid Pricing Tool (BPT) Instructions and/or Part D BPT Instructions for guidance on the bid substantiation requirements set forth by the Office of the Actuary (OACT). These instructions are available in HPMS at Plan Bids > Bid Submission > CY 2024 > Documentation > View Documentation > BPT. Once a plan/segment bid has been approved, HPMS will no longer accept any substantiation for that plan/segment.

The substantiation requirement does not apply to the MMP contracts and EGWPs, as they do not submit a BPT.

## Bid Submission

**All** organizations are required to upload the completed bid submission, which is comprised of the applicable BPT(s) and PBP for each plan being submitted. Organizations must ensure that all software patches, if applicable, have been applied to the BPT and PBP prior to upload.

Throughout the bid submission process, organizations should review the status of the various components of the bid upload to ensure successful completion. The status of each component may be viewed in HPMS at Plan Bids > Bid Submission > CY 2024 > Upload > Review Upload Status.

When uploading an MA-only plan bid, applicable organizations are required to attest that they also offer at least one MA-PD plan in each county covered by the legal entity's service area.

## Actuarial Certification

An actuarial certification is required for **each submitted MA, Part D, MA ESRD-only SNP, and/or MSA BPT**. Certifying actuaries must certify each bid in HPMS after submission. If the actuarial certification is not completed in HPMS, then the bid will not be sent forward for desk review.

Please refer to Appendix A of the MA BPT Instructions and/or Part D BPT Instructions for further information regarding actuarial certification. These instructions may be found in HPMS at Plan Bids > Bid Submission > CY 2024 > Documentation. Organizations should also refer to the February 17, 2023 HPMS memo entitled "Instructions for Requesting Consultant Access to the Health Plan Management System (HPMS)" to ensure that their certifying actuaries have the access needed to complete the certification.

The actuarial certification requirement does not apply to the MMP contracts and EGWPs, as they do not submit a BPT.

## **Supplemental Formulary Files**

Partial gap coverage, free first fill, home infusion drug, over-the-counter, and excluded drug supplemental files are submitted via the supplemental formulary file submission functionality. Organizations must submit the applicable supplemental information for each plan offering by 11:59 a.m. EDT on June 9, 2023. Please note that the supplemental formulary file upload functionality will not become available until an organization's bid submission is uploaded and unloaded to desk review. For further information on these submissions and the file record layouts, please refer to the CY 2024 Formulary Submission and Technical Manual.

Organizations participating in the Medicare Advantage Value Based Insurance Design (VBID) Model will submit a VBID supplemental file if offering a supplemental benefit under Part D by 11:59 a.m. EDT June 9, 2023. For further information on these submissions and file record layouts, please refer to the CY 2024 Formulary Submission and Technical Manual.

Medicare-Medicaid Plan contracts for CY 2024 will submit all non-Part D drugs on a single supplemental drug file, the Additional Demonstration Drug (ADD) file also by 11:59 a.m. EDT June 9, 2023. For further information on the MMP ADD file submissions, please contact the Medicare-Medicaid Coordination Office at [MMCOCapsModel@cms.hhs.gov](mailto:MMCOCapsModel@cms.hhs.gov).

For questions about this memo, please contact Erica Scott at [Erica.Scott@cms.hhs.gov](mailto:Erica.Scott@cms.hhs.gov) or Andrew Chu at [Andrew.Chu@cms.hhs.gov](mailto:Andrew.Chu@cms.hhs.gov).

If you require technical assistance with the bid submission process, please contact the HPMS Help Desk at either 1-800-220-2028 or [hpms@cms.hhs.gov](mailto:hpms@cms.hhs.gov).