



DATE: February 17, 2023

TO: All Medicare Advantage Organizations

FROM: Laura T. McWright, Deputy Director, Seamless Care Models Group, Center for Medicare and Medicaid Innovation

SUBJECT: Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model Application Process for Calendar Year (CY) 2024

Summary: Today, CMS released the materials for the application process for participation in CY 2024 of the VBID Model. Additionally, CMS released the CY 2024 Preliminary Hospice Capitation Payment Rate Actuarial Methodology and the CY 2024 Phase 2 Network Adequacy Requirements Technical and Policy Guidance for the Hospice Benefit Component of the VBID Model. This memorandum provides an overview of the application materials for MA Organizations (MAOs) interested in applying to participate in the VBID Model, including offering the Medicare hospice benefit. It also includes details on an Office Hours session for MAOs that may have questions about the application process. **All VBID Model applications are due by April 14, 2023, 11:59 PM PT.**

Information and Requests for Applications: Information on the VBID Model, the RFAs for VBID and its Hospice Benefit Component, the CY 2024 Preliminary Hospice Capitation Payment Rate Actuarial Methodology for the Hospice Benefit Component, and the Phase 2 Network Adequacy Policy and Technical Guidance for the Hospice Benefit Component are available here:

<https://innovation.cms.gov/initiatives/vbid/>

Application Details: To participate in any component of the VBID Model, MAOs must complete both a CMMI application (including the required Model Application Spreadsheet, Model Financial Application Template, and Model Net Savings Template) and include the necessary information in their CY 2024 bid submission.

CMMI Application: By 11:59 PM PT on April 14, 2023, applicants must complete an online application and associated application materials to participate in the VBID Model. The online application and associated application materials are located on the Model's webpage and accessible [here](#). **NOTE:** The associated application materials, such as the required spreadsheets and documents previously referenced, along with additional application instructions are found in the *CY 2024 Additional VBID Model Application Materials.ZIP* file on the VBID Model website. We strongly encourage MAO applicants to first review the application instructions found in this ZIP file.

While the application includes all VBID Model Components, MAOs may select which voluntary Model components they wish to include. Each MAO must complete a single CY 2024 VBID Model application. All MAOs participating in the Model must include the Wellness and Health Care Planning (WHP) Component in their application. CMMI will review all applications to ensure eligibility and alignment with Model requirements and will provide plans with provisional

approvals.

Bid Submission: The final part of the application process is for provisionally approved MAOs to confirm their participation in the Model by the bid submission date of Monday, June 5, 2023, concurrent with and as part of their plan bid submission. In addition to the bid submission requirements, MAOs that were provisionally approved must notify CMS in writing by June 5, 2023 of any changes from their provisionally approved application, including changes to their existing participating PBPs.

The CY 2024 RFAs for the VBID Model and its Hospice Benefit Component provide all requirements for Model participation. All Model information, including the VBID Model and Hospice Benefit Component RFAs, webinar recordings and slides, and other Model information is available here:

<https://innovation.cms.gov/initiatives/vbid/>.

Upcoming Webinars

The CY 2024 VBID Model and Hospice Benefit Component Overview Webinar, including a review of the CY 2024 preliminary payment design related to the Hospice Benefit Component and the application process will be held on Thursday, February 23, 2023, from 3:00-4:00 PM ET. Please register for this webinar at this link [here](#).

Office Hours will be held on Tuesday, April 11, 2023, from 3:00-4:00 PM ET to offer attendees an opportunity to ask questions related to the VBID Model, the Hospice Benefit Component, and the Model application process. Please register for this office hour session at the link [here](#).

For additional information, visit the [VBID overview page](#) or contact VBID@cms.hhs.gov.