

HPMS E-Mail

Date: July 30, 2021

Subject: Contract Year 2022 Medicare Advantage Out-of-Pocket Costs & Premium Information for Rebate Reallocation

CMS announces that information regarding the current contract year (CY) 2022 Medicare Advantage (MA) premium amounts (net of rebates) file based on the national average, adjusted Total Beneficiary Cost (TBC), and Out-of-Pocket Cost values (OOPC) by service category and premium amounts (net of rebates) is now available in the Health Plan Management System (HPMS).

This information may be accessed by selecting: Quality and Performance > Performance Metrics > Reports > Costs > Part C Total Beneficiary Costs > 7/27/2021. The file also includes columns with the formulary version number (if applicable) and the Plan Benefit Package (PBP) version date used in the OOPC calculations. Following rebate reallocation, CMS uses the first-approved plan formulary in calculating the OOPC values or the most recently submitted plan formulary, if the formulary is not yet approved. It is important to note that in reviewing bids, CMS does not consider any formulary updates after the first-approved plan formulary (i.e., changes made to plan formularies during the CY 2022 Summer Limited Update Window). Please note: Plans that are not subject to TBC requirements, such as Employer Plans, Medical Savings Accounts, Special Needs Plans for End-Stage Renal Disease requiring dialysis, and Dual Eligible Special Needs Plans are excluded from the file.

MAOs bids should satisfy published requirements, such as TBC, Service Category Cost Sharing, and Per Member Per Month Actuarial Equivalent Cost Sharing. CMS suggests organizations run the OOPC model for each plan bid. MAOs should refer to information provided by the Office of the Actuary regarding rebate reallocation as included in the "Instructions for Completing the MA and Part D Bid Pricing Tools for CY 2022" (April 9, 2021). In addition, the HPMS memo entitled "Contract Year 2022 Medicare Advantage Technical Instructions" (dated May 12, 2021) includes instructions for calculating the adjusted change in TBC.

Questions regarding premium information posted on HPMS should be sent to the actuarial mailbox: actuarial-bids@cms.hhs.gov. Technical questions about the Out-of-Pocket Cost (OOPC) model should be sent to: OOPC@cms.hhs.gov and questions related to TBC policy should be submitted to: <https://mabenefitsmailbox.lmi.org/>.

