

CY 2022 Part D Senior Savings and Part D Payment Modernization Overview Webinar

Transcript (3/23/2021)

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JASON PETROSKI: Hi. This is Jason Petroski with CMS's Innovation Center. And I want to thank everybody for joining us today to go through the Part D Senior Savings Model and the Part D Payment Modernization Model Contract Year 2022 review and application process.

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JASON PETROSKI: Just a little background on myself. I'm a Division Director, as I mentioned at CMS's Innovation Center overseeing the health plan innovation space, which includes the Part D Models which we'll be discussing today.

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JASON PETROSKI: I know it's a really busy time for everyone right now, and I wanted to thank you all again for joining us today and hopefully we can give you some more information about what's coming for the 2022 plan year especially in our Part D Model space.

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JASON PETROSKI: Next slide please.

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JASON PETROSKI: Before we actually get into the details, I just wanted to put out the general disclaimer that our goal here today is for educational purposes and general information sharing as noted on this slide. Next slide please.

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JASON PETROSKI: So to kick things off and just really in the way of additional introductions, I wanted to take a moment and mention our speakers for today. In addition to myself, we have Judy Geisler, Trudel Pare, and Hunter Coohill; all part of our Part D Model teams and they'll be walking you through the specifics of both the Part D Senior Savings Model and the Part D Payment Modernization Model.

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JASON PETROSKI: We also have Abigale Sanft on the line as well who will be helping with the Q&A session to follow the presentation.

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JASON PETROSKI: Next slide please.

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JASON PETROSKI: So just to walk quickly through our agenda today- our teams put together some slides that we thought might help us use our time together best today. So starting with the first piece here, the health plan and Part D innovations. First, what I'll do is I'll just walk everyone through some of the

Models that have been the focus of the innovation center portfolio, both on the Part C and the Part D side, then we'll get into some more of the specifics about the Contract Year 2022 Part D Senior Savings Model design and application, followed by the Part D Payment Modernization Model, some updates there and what folks need to know on the application. And then, as I mentioned, we'll wrap up and we'll definitely try to save some time at the end for a question and answer session.

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JASON PETROSKI: Along the way here, I believe we do have a Q&A feature opened up in the zoom platform for conference call participants to send in their questions.

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JASON PETROSKI: We'll be basically pulling together those questions, trying to sort through the ones that we can answer on the call. If there is something that we can't answer on the call, we will definitely take it back and try to address in other communications or materials.

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JASON PETROSKI: Next slide please.

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JASON PETROSKI: Okay. So just to give our listeners a little context, as I mentioned, the team here today comes from the health plan innovation and Part D area of the CMS Innovation Center and what we really wanted to kind of highlight here is really the progress that we've made. Starting in 2017 we started a lot of our health plan innovation work with the Enhanced MTM (which is medication therapy management) project that started in 2017 with six Part D sponsors and 22 standalone basic PDPs.

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JASON PETROSKI: In addition we also had a Part C project that started in 2017, the Value-Based Insurance Design Model. And that started with 9 MAOs and 45 plan benefit packages spanning across three states and really what we wanted to show in this slide is just really the growth over the past couple of years, growing from again in VBID for example, 9 MAOs in 2017 to currently this year 19 Medicare Advantage organizations over 400 PBPs and most States having at least one plan participating in that Model.

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JASON PETROSKI: We also added the Part D Payment Modernization project at 2020 and in 2021 right now, again, we started our first performance year of the Part D Senior Savings Model, which we've seen really a robust response, over 1600 PBPs covering all states DC and Puerto Rico. So we're really proud of, kind of like our growing portfolio of health plan and Part D innovation. We're really excited to have everyone join this call and really learn more about how they can be a part of the testing here.

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JASON PETROSKI: We see this health plan innovation, obviously, as a benefit to our beneficiaries and the Medicare program. But it's also an opportunity for your organization to test out and be a part of

something bigger that that can also provide benefits to you all. So just very appreciative for everybody, giving us their time today.

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JASON PETROSKI: Next slide.

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JASON PETROSKI: So I think here we'll get started in terms of digging into the specifics about the two Part D Models that we're here to talk about today. We'll start with the Part D Senior Savings Model design and application. And with that, I will turn it over to Trudel Pare.

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JASON PETROSKI: Next slide please.

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Trudel Pare: Thanks so much, Jason.

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Trudel Pare: Okay, so first to level set, the Part D benefit includes the deductible, initial coverage phase, coverage gap phase, and the catastrophic phase under the defined standard Part D benefits.

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Trudel Pare: If a beneficiary is in the coverage gap phase specifically, manufacturers generally pay a 70% discount on the negotiated price for their drugs.

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Trudel Pare: Outside the Model beneficiaries pay 25% and then plans are liable for paying the remaining 5%. Also in today's benefit Part D sponsors in their enhanced alternative plans may offer supplemental benefits in any benefit phase.

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Trudel Pare: There is one sort of additional piece. And that's really what you see on the screen here, the special rule of supplemental benefits in the coverage gap.

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Trudel Pare: So the coverage gap phase of the benefit was designed based on the manufacturer Coverage Gap Discount Program.

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Trudel Pare: If a plan chooses to offer supplemental benefits for an applicable drug, the plan becomes liable for the entire amount from the negotiated price of the applicable drug to whatever copays they set, and then the manufacturer would cover 70% of what's left after that benefit and the beneficiary pays the remainder.

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Trudel Pare: This structure provides a really strong financial disincentive to plans designing Part D benefits that provide supplemental benefits in the gap for applicable drugs, one of which is insulin.

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Trudel Pare: So this means that outside the Model, beneficiaries are left with generally paying a 25% co-insurance to the coverage gap for those drugs.

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Trudel Pare: Next slide.

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Trudel Pare: So, put simply, the Part D Senior Savings Model waives the operational special rule for supplemental benefits for insulins.

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Trudel Pare: Specifically, allowing participating insulin manufacturers to buy down their portion of the Part D coverage gap first, which then allows Part D plans participating in the Model to offer a supplemental benefit with a stable, predictable beneficiary copay no greater than \$35 from the deductible to the coverage gap for a month's supply of certain insulins.

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Trudel Pare: The Model is a five year Model that began in January 2021 that not only offers affordable insulin, but also allows Part D sponsors to offer Part D Rewards and Incentives for beneficiaries with diabetes and pre-diabetes as part of programs that incentivize health and promote medication adherence.

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Trudel Pare: So as you can see here, so this is a comparison of the insulin cost for beneficiaries in the Part D program outside the Model on the left side versus what's possible, as a result of the Model on the right side, where in enhanced alternative drug plans, the maximum out of pocket costs for a month supply of insulin drugs covered by the Model is \$35 throughout the first three phases of the benefit. This is a substantial difference, as you can see from the slide.

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Trudel Pare: And so now I will pass it over to Judy, who will be giving an overview of the application process and the Model's technical specifications.

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Trudel Pare: Next slide.

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Judith Geisler: Great, thank you, Trudel. I'd like to take a few minutes to walk through the information on slide 10 and also talk about some of the questions that we've received.

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Judith Geisler: We've received a few questions about how the beneficiary moves through the deductible and the initial coverage phases of the Part D benefit, which is based on total drug costs accumulated and we released a memo last May that has additional information on the deductible and initial coverage phases that on our Model website. So I'd encourage you to review that memo for additional information.

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Judith Geisler: The Model benefits do offer flexibility to have different cost-sharing at preferred and non-preferred pharmacies, as well as retail and mail locations.

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Judith Geisler: However, I would note at all pharmacy locations, the enrollees should pay no more than the maximum \$35 for a month supply for plan-selected Model drugs.

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Judith Geisler: We've also received questions on the one month or a 30 day equivalent supply so wanted to talk briefly about that.

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Judith Geisler: And in answer to those questions. The intent of the Model is to follow the plan's definition consistent with the current program regulations and guidance of how they define a one month supply or 30 day equivalent supply in the plan benefit package.

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Judith Geisler: Under the maximum \$35 copay Part D sponsors have flexibility to offer a lower copay for one or more Model drugs below the \$35.

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Judith Geisler: For example, a lower cost sharing could be offered for different insulin products, different types of insulin, or different insulin forms, and we do encourage sponsors to consider offering lower copays on Model insulins.

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Judith Geisler: One thing I did want to note here is that if you would elect to offer a lower cost sharing for a Model insulin that same cost sharing must be offered in all three phases, the deductible, initial coverage, and gap phases.

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Judith Geisler: The list of Model drugs for 2022 is posted and available on the Model website. So please take a look at that.

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Judith Geisler: We also received some questions about tier placement of Model drugs and sponsors may include insulin on any formulary tier that's consistent with current program regulations and guidance, including formulary design and the cost sharing for the formulary tier or tiers that contain the Model insulin products does need to be greater than or equal to the cost sharing of the Model insulin.

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Judith Geisler: I also wanted to take a minute and talk about the optional risk corridor that's available.

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Judith Geisler: Sponsors have the option to opt in through the application to be eligible for 2.5% instead of 5% first threshold for the risk corridor.

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Judith Geisler: And if the Part D sponsor prospectively opts in, CMS will apply a narrower first risk corridor threshold, where the participating plan has a statistically significantly greater number of insulin-dependent diabetics relative to other similar plan types, and that would be looking at the PDPs, MA-PDs, and as well as the chronic care and institutional SNPs on at least one Model insulin.

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Judith Geisler: And finally on this slide, as was noted on a previous slide, LIS enrollees are not eligible for the Model as they already have fixed cost sharing, which is, in many cases, lower than the Model's cost sharing and this does include all levels of LIS, including the LIS-4 enrollees. Next slide please.

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Judith Geisler: Now we'll talk a little bit about the Part D sponsor eligibility and requirements to participate in the Model. First, only enhanced alternative plan benefit packages are eligible to participate and that will include both PDP and MA-PD plan types.

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Judith Geisler: Chronic condition and institutional special needs plans may also join the Model but dual eligible special needs plan are not eligible to join. Also, employer plans are not eligible for the Part D Senior Savings Model.

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Judith Geisler: All plans that participate must include at least one vial and one pen dosage form of each of the different types of Model insulin where available.

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Judith Geisler: And that includes rapid-acting, short-acting, intermediate-acting, and long-acting insulin.

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Judith Geisler: And those products must be covered at the maximum of the \$35 copay for a month's supply for the deductible, initial coverage, and coverage gap phases of the benefit.

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Judith Geisler: I would note that the catastrophic phase is not included in the Model design and plans are not required to offer the Model cost sharing in that phase of the benefit.

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Judith Geisler: And while plans do have to meet the requirements I just discussed, we do encourage Part D sponsors to consider the same level of coverage for all Model insulins offered on the formulary to provide consistent coverage for enrollees that might have needs for other types of insulin.

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Judith Geisler: Next slide please.

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Judith Geisler: Additionally, through this Model, we are also testing Part D Rewards and Incentives programs. And the goals of the Rewards and Incentives Program in connection with this Model focuses on specific medication use, and promoting improved health outcomes, medication adherence, and the efficient use of healthcare resources. So these programs may be designated to target enrollees with pre diabetes or diabetes to participate in disease state management programs specific for either pre diabetes or diabetes. They can be combined with the Part D sponsor's medication therapy management programs.

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Judith Geisler: And we encourage sponsors to consider programs that include things such as comprehensive reviews of enrollee's medications, preventative health services including vaccines, and programs that encourage enrollee engagement to help the enrollees gain a better understanding of their Part D plan's benefits and costs and clinically appropriate coverage alternatives for their medications.

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Judith Geisler: I did want to note this year that we have adjusted the requirements of the Rewards and Incentives programs broadly across the three health plan Models in order to allow plan sponsors to offer more than one Rewards and Incentives program under two different Models with an aggregate cap of \$600 per enrollee per plan year and there is additional information in our Request for Applications on the Model website that I would encourage you to consult if you're interested in that particular flexibility.

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Judith Geisler: Next slide please.

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Judith Geisler: As part of the Model CMS does monitor the various types of data from Part D sponsors and manufacturers.

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Judith Geisler: We want to monitor data, both to ensure there are not issues and also to gather data for full evaluation of the Model test.

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Judith Geisler: And some of the areas that we'll be collecting or looking at data are summarized here, including the beneficiary experience, plan enrollment, and drug list pricing.

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Judith Geisler: Our monitoring would look at indicators of beneficiary experience and access to their medications, including things such as review of beneficiary complaints and beneficiary costs, including premiums.

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Judith Geisler: You can consult the Request for Applications to review a complete description of the monitoring strategy for our Model as well. Next slide please.

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Judith Geisler: So wanted to take a few minutes and talk about the application process for joining the Model.

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Judith Geisler: The first step in the Model is the manufacturer enrollments. We've completed that step. And as you can see on this slide, Eli Lilly, Novo Nordisk and Sanofi will be continuing their participation in the Model for 2022, and Mannkind and Mylan will be newly joining the Model for 2022. As I mentioned previously, the list of Model drugs is available on our Model website.

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Judith Geisler: And the next step in the process for the Model is for Part D sponsors to join the Model. This year there is not a notice of intent.

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Judith Geisler: So the first step would be for Part D sponsors to submit an application; that application's due by April 12, that's at 11:59pm Pacific time.

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Judith Geisler: And there are three parts to the application. Sponsors complete the online application portion through Qualtrics and that link is on the Model website and also included in a slide that we'll be presenting shortly. And then along with the Qualtrics application, there are two Excel templates, similar to the application process last year.

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Judith Geisler: They're located in the application as well as on the Model website and those templates also are completed, and then submitted to the Part D Senior Savings Model mailbox.

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Judith Geisler: This process is also summarized in the HPMS memo we released last week and that you can find on our Model website as well.

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Judith Geisler: And then the second part of the application is submitting a bid that's aligned with the Part D sponsor's provisionally approved application, and bids are due this year by June 7th and then the supplemental text file that provides information on the Model insulins that will be offered is due by June 11th.

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Judith Geisler: Next slide please.

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Judith Geisler: Here on this slide, you can see the resources I've been mentioning that provide further details on the Model and the applications.

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Judith Geisler: First we have the Model website, which includes the links to all the materials that follow.

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Judith Geisler: Then within the key application materials are Request for Applications, the recent HPMS memo, and the application itself. We've also included here, the most up to date fact sheet so you can learn more about the Model.

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Judith Geisler: And then some key dates are listed here as well. And I would want to mention the one other date on here is that through the application and bid cycle process, we complete that with Part D sponsor participants and CMS signing the Senior Savings Model Contract Addendum, which is completed in early fall.

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Judith Geisler: And now I'd like to turn the presentation over to Hunter, he will give an overview of the PDM Model. And if we could have the next slide please.

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Hunter: Thanks, Judy. So now that we've gone through the Part D Senior Savings Model, let's spend just a few minutes on some updates for the Part D Payment Modernization Model for the 2022 plan year. Next slide.

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Hunter: Okay. So as many of you may have seen from last week, we wanted to make sure that Part D sponsors are aware that we have released a revised Part D Payment Modernization Model update for the plan year 2022, we released that on the 16th.

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Hunter: You know, specifically, what's important to note with the revised RFA, is that we are actually removing two of the Model design elements that were announced earlier in the year as part of the January 19th RFA that was released. So these two

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Hunter: Two pieces that again are being removed are listed here on the screen or on the slide, you know, just to run through them really quickly.

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Hunter: You know we are no longer offering the Part D formulary flexibilities so you know which had some changes to the protected class policy, as well as two drugs per class requirement. And then the second piece is that we are no longer removing downside risk for the Model for 2022 so instead we're re-inserting downside Model risk that that existed, you know, in 2020 and then also in 2021.

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Hunter: Again, these have been removed with release of the revised RFA, which is available on the Model webpage for you all to review and then I'm going to get into this in a little more detail on the following slide but you know one thing to note is that the other programmatic flexibilities that were offered starting in 2021 will continue to be available.

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Hunter: And so I think with that, we'll go to the next slide. And I'll quickly summarize some of those--

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Hunter: Oh, sorry. Actually, I'm one slide ahead. So just staying on slide 18 a couple other things in terms of tweaks and policy clarifications that we want to mention with the revised RFA.

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Hunter: So the first is that all plan types that were eligible to participate in the Model for CY 2021 will remain eligible and this is true regardless of if you happen to be an organization that submitted an NOI you know as part of the January 19th RFA that's been rolled back- that's okay, you can still submit for 2022 if you're interested, based on the updated or revised RFA.

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Hunter: One other tweak dimension is that we're going to be requiring a minimum threshold or applying rather a minimum threshold to any performance-based gains or losses relative to the spending target benchmark. And then the third clarification that we just want to briefly touch on is that you know we

offer Part D Rewards and Incentives under the Model. Judy discussed that in terms of PDM or, I'm sorry, PDSS. So it's something that's also available under VBID and what we just wanted to clarify for Part D sponsors is that, you know, if, to the extent you're participating in, you know, multiple of the three health plan Models, you know, you can have overlapping Part D R and I programs, but there are some rules around that, in particular, you know, it's really that, you know, I mean as the slide says here you know you're permitted to offer one in a single PBP under each of the three Models.

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Hunter: But there are some limitations around that, they're discussed in the in the RFA. I mean, it's essentially boils down to the fact that the same enrollee in a given PBP can't receive the same reward and incentive.

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Hunter: But again, that's discussed at greater length in both the PDM and PDSS RFAs. Next slide.

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Hunter: Yep, so okay, great. Okay, so, yeah. So now let's briefly go through the programmatic flexibilities that are available for 2022.

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Hunter: With release of the updated RFA, so the first mentioned here is what we call Medication Therapy Management plus programs. And so if you, you know, I mean this is essentially a flexibility that would allow Part D sponsors to develop more comprehensive and innovative MTM programs, you know, beyond what's currently required today so similar to the Enhanced MTM Model.

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Hunter: Enhanced MTM Model and some of the flexibilities allowed there.

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Hunter: Although there's no payment tied to, you know, implementing these programs under the PDM Model.

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Hunter: The second flexibility here. This is kind of, I'm going to describe it in two steps. So the first that you see listed under the second bullet. This is what we refer to as limited initial days supply. And essentially this is flexibility for Part D sponsors, to Include care coordination management programs to improve the management of drug therapies, including to help monitor for adverse effects and increasing medication adherence specifically through a limited initial days supply for treatment naive patients where there's a clinical and drug utilization review rationale to do so.

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Hunter: The second piece here is something we refer to as cost sharing smoothing and essentially this is to allow Part D sponsors the option to have enrollees pay for their prescription drugs, over time, you know, essentially installment payments. So that's kind of the concept there.

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Hunter: Let's see, then the next one here Part D Rewards and Incentives. I've already covered that a little bit.

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Hunter: Again, you want to review the RFA, in particular, because it does differ slightly from what Judy discussed regarding Part D R&I under the Senior Savings Model because as Judy had walked through for Senior Savings, it has to be specific to a either diabetic or pre-diabetic population and in PDM, the targeting that the plans, as I have said is a little bit broader than that, again, but that's described in great length and the RFA. So if that's something that you're interested in, you'll want to you want to check out that section of the RFA.

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Hunter: Okay, so a few more here. So, let's see. So the next one is reduction or elimination of cost sharing on generic drugs and biosimilars for LIS beneficiaries.

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Hunter: Essentially all that means is that in the Model, you, you know, a plan can choose to reduce or eliminate cost sharing on generic drugs or biosimilars for LIS beneficiaries. Essentially all that means is that in the Model a plan can choose to reduce or eliminate cost sharing on generics or biosimilars for LIS enrollees.

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Hunter: You know if they choose to do so.

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Hunter: The next one, second to last.

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Hunter: Plan timeliness. This is essentially just allowing plans- really it's meant to enable increased medication adherence, increased initial determination approvals, and decreased redeterminations by allowing Part D sponsors to increase the standard coverage determination timeframe from 72 to 96 hours and then last but not least,

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Hunter: You know another thing we allow the Model is that, you know, if you're if you're a basic Part D plan with a bid that's above the low income benchmark, you know, we will consider offering you, you know, the option of waving a higher de minimis amount as necessary.

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Hunter: And with that I think we'll jump to the next slide.

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Hunter: Okay, so let's just cover some key dates and resources regarding the PDM Model application. And then we'll dive into the Q&A session.

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Hunter: So I think, you know, importantly, if you're interested in applying to PDM, you know, your best resource is that PDM Model web page.

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Hunter: You know, on that webpage. We have obviously a copy of the RFA, but we also have a fact sheet that's very helpful, the application itself, which just went live today so just like PDSS that's done through a Qualtrics platform. Again that link is now live.

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Hunter: We also have an HPMS memo posted there as well for your reference that that walks through the different steps of the application process.

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Hunter: And similar to PDSS you know it's the same process that the application timeline is a little bit different, you know, our applications are due on the 16th of April and actually for folks interested in the VBID Model—Value-Based Insurance Design Model-- I just want to also put out a quick reminder that the VBID applications are also due on April 16th and the same information for VBID is on the VBID Model web page.

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Hunter: Let's see. So yeah, I guess I don't need to go through the rest of it here. But essentially, you'll complete the application by the 16th, we'll review it, and provide feedback. You know conduct some outreach and then, you know, we'll issue provisional approvals in May and then with the provisional approval, you know, organizations would then include their PDM application as part of their June 7th bid submission.

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Hunter: And then in the third quarter 2021 just like for PDSS and VBID, we will, you know, we will be executing the Contract Addenda to follow the Part D sponsor contract.

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Hunter: Okay. So I think with that I will turn it over to Jason to kick off our, our question and answer session. And the next slide and I just wanted to say, you know, before we dive in there, I guess, you know, a big thank you for those of you who joined, please reach out, you know, to either mailboxes for support questions. We're happy to discuss any questions you might have, as you as you review the respective RFAs. See, so don't hesitate to reach out and thanks again for joining. Jason?

00:34:58.260 --> 00:34:59.370

JASON PETROSKI: Yeah, thank you. Hunter.

00:35:00.780 --> 00:35:22.050

JASON PETROSKI: Yeah, and I, I would reiterate the same, the same points Hunter just made, these email addresses for both of the Models are key. There's bound to be questions that your organization will come up with along the way, when you're reading through the RFAs, or you're filling out the application, please feel free to email us and we'll get back to you as soon as we can.

00:35:23.310 --> 00:35:39.990

JASON PETROSKI: So at this point in the session. We are going to start compiling some of the questions that we received throughout the session so far. If you have new questions, please feel free to send them in.

00:35:41.550 --> 00:35:51.150

JASON PETROSKI: You know, I'll start with a really basic question, probably our most frequently asked question on webinars, which is will slides be made available?

00:35:51.600 --> 00:36:01.620

JASON PETROSKI: And I'll take that one. Because it's pretty straightforward, we do plan to make slides available and we'll try to put them out as soon as possible, following today's session.

00:36:02.880 --> 00:36:16.620

JASON PETROSKI: So what we'll do here is-- I realize we've covered two Models here and there are there are differences between the Part D Payment Modernization Model and the Part D Senior Savings Model.

00:36:16.980 --> 00:37:05.520

JASON PETROSKI: So what we'll try to do is we'll try to line up a group of questions, perhaps, starting with the Part D Senior Savings Model and then we'll take a few questions on the Part D Payment Modernization Model just to keep people in the right frame or context here. So I think what I'll start to do here is just to have some questions for the, the two Model teams and maybe we'll start, like I said, with the Part D Senior Savings Model. So here's a question that we have: under the Part D Senior Savings Model-- can Part D sponsor cover Model drugs at different cost sharing levels in different parts of the Part D benefit? Judy, do you mind taking that first question on the Part D Senior Savings Model?

00:37:06.750 --> 00:37:08.370

Judith Geisler: Sure. Thanks, Jason.

00:37:09.930 --> 00:37:17.940

Judith Geisler: So the question references if a Part D sponsor can cover a Model drug at different cost-sharing levels in different parts of the benefit.

00:37:18.450 --> 00:37:30.840

Judith Geisler: And the answer to that would be no. If a Part D sponsor opts to set the Model cost sharing for plan-selected Model drugs in a plan benefit package below the maximum of \$35,

00:37:31.320 --> 00:37:39.990

Judith Geisler: then they would need to ensure that that cost sharing is consistent throughout the deductible, initial coverage, and coverage gap phases of the benefit.

00:37:44.910 --> 00:37:45.990

JASON PETROSKI: Okay, thank you, Judy.

00:37:47.040 --> 00:38:04.920

JASON PETROSKI: Um, here's another question on the Part D Senior Savings Model, for the PDSS Model, are Part D sponsors required to make tiering exceptions to Model cost sharing for non-Model insulins? Judy, can you help with that one?

00:38:08.100 --> 00:38:25.110

Judith Geisler: Sure. Thanks, Jason. This is covered in the request for applications, but in summary, no, Part D sponsors are not required to offer a tiering exception to the copay for plan-selected Model drugs for the one month supply for any Model insulin or non-Model insulin.

00:38:27.870 --> 00:38:28.500

JASON PETROSKI: Thanks, Judy.

00:38:29.970 --> 00:39:01.830

JASON PETROSKI: How about we turn now to a question, this, this looks like a question, specific to the application and how to fill out the spreadsheets. The question is, my organization is applying to offer a new Part D plan and would like to include that new plan in the Part D Senior Savings or the Part D Payment Modernization Model. How should I submit a plan benefit package number if my plan benefit package number isn't set up yet? Judy, do you mind helping with that one?

00:39:03.030 --> 00:39:11.820

Judith Geisler: Sure. Thanks, Jason. Yeah, this is a question we've gotten frequently, and it does apply across both the Senior Savings and Part D Models.

00:39:12.150 --> 00:39:18.840

Judith Geisler: So if the Part D sponsor doesn't have a designated plan number yet if they're gonna have to have a new plan.

00:39:19.230 --> 00:39:43.980

Judith Geisler: What you should do is submit the Model application with '999' as the plan benefit package number on the relevant application files. And then as you do get your plan number designated

in plan setup, please follow up with the Model team by email with the correct PBP numbers. Once you have an opportunity to set those up within the Health Plan Management System.

00:39:48.930 --> 00:39:50.280

JASON PETROSKI: Thanks for clarifying that Judy.

00:39:51.510 --> 00:40:08.160

JASON PETROSKI: Here's another question that really applies to both of the Models and it has to do with after plans, what happens after plans submits their application. The question is, when will plans or organizations receive provisional approvals?

00:40:09.180 --> 00:40:10.470

JASON PETROSKI: Judy, do you want to take that one.

00:40:11.970 --> 00:40:12.930

Judith Geisler: Sure. Thanks.

00:40:13.830 --> 00:40:20.640

Judith Geisler: So for both of these Models, we are aiming to get the provisional approvals out to applicants in early May.

00:40:25.830 --> 00:40:38.100

JASON PETROSKI: Great. Thanks, Judy. Okay, so why don't we switch gears here and field a few questions specific to the Part D Payment Modernization Model.

00:40:38.730 --> 00:41:05.160

JASON PETROSKI: And I'm going to ask Hunter for some help on some of these. Hunter, the first question that I'll throw your way is about the Part D Rewards and Incentives programs that you spoke about. The question is how do Part D Rewards and Incentives programs offered under the Models differ from RI programs currently allowed by CMS-- what's, what are we doing that's new in the Model?

00:41:06.690 --> 00:41:08.340

Hunter: Sure. No. And that's a good question.

00:41:09.750 --> 00:41:22.740

Hunter: Yeah, so, you know, essentially. Well, I'll just start with kind of the objective or goal of Part D Rewards and Incentives, which is really to allow participants in the Models to reward or incentivize appropriate medication use.

00:41:23.940 --> 00:42:35.340

Hunter: You know, but focusing on of course promoting improved health medication adherence and efficient use of healthcare resources. So, you know, essentially, and I'll speak to you know kind of what you're able to do in the Models through these Part D R&I. And as we kind of have forged four kind of

buckets. At least I like to call them buckets, where you can kind of explore for designing your part D R&I. So the first would be-- And again, this is really, I'll explain again how it's a little bit different for PDSS versus PDM. Because again, just keep in mind for PDSS so you're going to be targeting enrollees with diabetes or pre-diabetes. But if we're thinking about PDM, you know, you can design your Part D R and I program, you know, for individuals with specific conditions or enrollees who would otherwise benefit from participating in a disease state management program. The second kind of bucket is that you know you're, you know, you'd be permitted to provide a Part D Reward or Incentive for individuals who participate in your Medication Therapy Management program that's something you can incentivize.

00:42:36.750 --> 00:42:40.350

Hunter: The third is just kind of broadly providing Part D Rewards and Incentives for enrollees participating in some type of preventative health service, you know, for example, receiving a Part D covered vaccine.

00:42:52.380 --> 00:43:11.250

Hunter: And then the last bucket or the fourth bucket. Part D sponsors can propose to us as part of the application to, you know, and R&I program that that would incentivize enrollees for engaging in activities that so that they can better understand their Part D benefit.

00:43:12.360 --> 00:43:19.560

Hunter: Not only the benefit but the costs and any therapeutic equivalent coverage alternatives, including biosimilars and generics.

00:43:24.030 --> 00:43:28.650

JASON PETROSKI: Okay, thanks Hunter. Appreciate that walkthrough on Rewards and Incentives.

00:43:30.000 --> 00:43:42.810

JASON PETROSKI: Another question on the Part D Payment Modernization Model, this one's about the de minimis policy. The question is what does additional flexibility under the de minimis policy mean?

00:43:43.950 --> 00:43:44.400

JASON PETROSKI: Hunter?

00:43:45.810 --> 00:43:57.000

Hunter: Thanks, Jason. It's another good question. So essentially, this really refers to give the availability of \$0 premium coverage for LIS enrollees.

00:43:58.020 --> 00:44:19.650

Hunter: You know, obviously fluctuates from year to year, which potentially exposes you know these enrollees to higher costs, unless they change into another \$0 premium plan, you know, either voluntarily or whether that happens through automatic re assignment from CMS. And so, you know, in the model, in the PDM Model, Part D sponsors may voluntarily waive the portion of their monthly

adjusted basic beneficiary premium that is the de minimis amount above the LIS benchmark for eligible individuals and CMS will not reassign these enrollees away from these Part D sponsors.

00:44:34.350 --> 00:44:48.510

Hunter: So really the whole point here with the additional tremendous flexibility is to decrease any movement of LIS enrollees for Model participants. And again, this is something we CMS will consider waiving in the future.

00:44:54.180 --> 00:45:17.070

JASON PETROSKI: Okay, thanks. Hunter, it looks like there's a couple of questions generally about special needs plans so why don't we clarify for the Part D Payment Modernization Model first and then we'll, we'll clarify for the Senior Savings. Hunter, in terms of the Part D Payment Modernization Model are SNPs eligible to participate?

00:45:18.570 --> 00:45:19.080

Hunter: Yes.

00:45:19.440 --> 00:45:25.980

Hunter: The answer is yes. And that would include all SNP type plans. They may be included in the Model for participation.

00:45:28.200 --> 00:45:43.080

JASON PETROSKI: Okay, great. And then I know we have a specific question, now shifting to the other Model, the Part D Senior Savings Model. Judy, can dual SNPs participate in the PDSS Model?

00:45:45.000 --> 00:45:56.190

Judith Geisler: Thanks, Jason. So for the Senior Savings Model, no, D-SNPs are not eligible to participate. The C-SNPs and I-SNPs may participate in the Senior Savings Model.

00:45:59.610 --> 00:46:01.680

JASON PETROSKI: Okay, great. Thanks for clarifying.

00:46:03.420 --> 00:46:13.050

JASON PETROSKI: Okay, so, you know, we're continuing to look through the questions that we're receiving-- looks like we have another one.

00:46:14.640 --> 00:46:24.720

JASON PETROSKI: On the Part D Senior Savings Model, Judy, maybe for you. And this one is again about the application process and the spreadsheet. The question is, Judy.

00:46:26.430 --> 00:46:39.720

JASON PETROSKI: The Part D Senior Savings Model spreadsheet no longer contains columns for insulin costs shares like it did last year. How should plans communicate that information to CMS this year as part of the 2022 application?

00:46:42.210 --> 00:47:40.440

Judith Geisler: Thanks, Jason. That's a good question. And, you know, in consideration of the deadline for the Senior Savings Model application. We've streamlined the collection of the information related to cost shares within the Qualtrics portion of the application this year, and then that information will also be submitted in the plan benefit package. We've worked to update the plan benefit package software this year. So there are additional screens for plans that will be completing for the Senior Savings Model and that are provisionally approved to participate, where information can be entered for the cost sharing under the Senior Savings Model. And that would include both for standard pharmacy, as well as if the plan offers preferred pharmacy cost sharing within a plan benefit package this year.

00:47:40.860 --> 00:48:08.820

Judith Geisler: So probably what this question is referring to is that the Excel spreadsheet no longer includes that information for the Senior Savings Model application and that's correct. It's within the Qualtrics portion of the application. This year, so hopefully that provides clarification, if there's you know something additional please feel free to either put another question in or send us an email and we'll be certainly happy to help provide additional clarification there.

00:48:15.000 --> 00:48:25.830

JASON PETROSKI: Okay, thanks for explaining that Judy. We've also just received just some general questions again about the application due dates.

00:48:26.640 --> 00:48:54.930

JASON PETROSKI: For both of the Models, and just confirming when the due dates are because they are two different dates-- so I'll just take this one. I do want to just confirm that, again, the Part D Senior Savings Model application due date is April 12 so that one is due first and then the Part D Payment Modernization Model application due date is April 16. So those are the current dates that we've put out for the public.

00:48:56.160 --> 00:49:06.570

JASON PETROSKI: Okay, so let's just take give us a second here. And we'll see if we have any additional questions that we can answer on the remainder of the call.

00:49:26.040 --> 00:49:45.000

JASON PETROSKI: Okay, here's another question. Maybe I can throw this one to Hunter, one of the participants asks, we have plans participating in both Models. Do we need to submit a new application? I assume this question is, do they need to submit applications for both Models, can you answer that one?

00:49:46.410 --> 00:50:09.480

Hunter: Yeah, good question. Yes. You'll, you'll want to submit, well you'll have to submit separate applications and again all of that information is available on the Model-- the respective Model web pages to make sure you review both RFAs and then access the Qualtrics platform on both web pages for the separate applications.

00:50:11.760 --> 00:50:32.430

Judith Geisler: Yeah, and Jason. If I could just provide one additional clarification and looking at another question. If a plan sponsor is participating in one of the Models this year, they'll still need to complete the application for the contracts and plans that are participating this year if they wish to participate next year as well.

00:50:37.230 --> 00:50:48.390

JASON PETROSKI: Yeah. Thank you for clarifying that for both of these Models, we do annual application processes for Part D sponsors. So thank you for clarifying that Judy.

00:50:55.080 --> 00:51:01.080

JASON PETROSKI: I have- Okay, here's another question on the Part D Senior Savings Model, Judy.

00:51:02.910 --> 00:51:18.630

JASON PETROSKI: The preferred pharmacy price differential cannot be displayed for the first year, will this be corrected in time for the 2022 plan year? And I assume this is referring to Medicare Plan Finder-- do we have more information we can share on that Judy?

00:51:21.150 --> 00:51:53.700

Judith Geisler: Thanks, Jason. I can talk a little bit about that as I had mentioned when I was talking about the applications spreadsheets. We have worked to update the plan benefit package software this year to capture different cost sharing across different pharmacies, for preferred and standard pharmacies, if—that's what the plan is offering and you know we are working with, you know, our colleagues in CMS to look to provide that information.

00:51:55.380 --> 00:52:03.390

Judith Geisler: And we'll be providing more information about the inclusion of the Senior Savings Model on Plan Finder in the future.

00:52:07.620 --> 00:52:08.220

JASON PETROSKI: Thanks, Judy.

00:52:10.710 --> 00:52:30.870

JASON PETROSKI: Hunter. Can you just reiterate a point here on this question about the Notice of Intent related to the Part D Payment Modernization Model. The specific question is, can a Part D sponsor still participate in the Part D Payment Modernization Model if they didn't fill out the notice of intent?

00:52:32.400 --> 00:52:58.560

Hunter: Yes. And that's another good question. And yeah, just to reiterate, even if you didn't submit a notice of intent based on the January 19th RFA that's since been replaced with an updated RFA, you can still-- It's fine if you didn't submit an NOI, you can still submit an application, but just make sure to check out the latest RFA, which was released last week and it's available on the Model webpage.

00:53:03.480 --> 00:53:04.110

JASON PETROSKI: Thanks Hunter.

00:53:05.370 --> 00:53:36.900

JASON PETROSKI: Here's another question about the application process for the Models and just in general participation. And maybe I'll provide a response to this but Judy or Hunter, please, please add in, if necessary, the question- the general question is, can plan sponsors rescind participation in the Senior Savings Model or the Part D Payment Modernization Model after submitting their application?

00:53:37.980 --> 00:53:48.060

JASON PETROSKI: So I would say the response to that is yes. The application to participate in these Models is non-binding.

00:53:48.930 --> 00:53:55.680

JASON PETROSKI: The process that we've tried to articulate today is really a three step process.

00:53:56.430 --> 00:54:28.320

JASON PETROSKI: Plan sponsors apply to the Model, CMS reviews your application and provides a provisional approval if you meet the requirements, and then Part D sponsors fill out the bid process. So we've tried to align our Model process with the standard Part D bid process so you know your participation in the Model can be can be withdrawn at any point before the bid becomes finalized.

00:54:29.550 --> 00:54:32.490

JASON PETROSKI: Judy or Hunter, would you add anything to that or do you think that covers it?

00:54:40.320 --> 00:54:42.240

Hunter: I don't have anything to add. I think that covers it, Jason.

00:54:50.370 --> 00:55:00.630

JASON PETROSKI: Let's just take one last look here at our Q&A list and see if there's anything else that we can address here before we adjourn.

00:55:06.540 --> 00:55:27.420

JASON PETROSKI: While we're looking. I just want to remind-- make a reminder that if there was a question that we received that we were unable to address on the call because either it was technical or was something that we wanted to prepare more information for, we will make an attempt to try and provide that information through other communications.

00:55:31.020 --> 00:55:50.430

Judith Geisler: Jason, we do have a question about the time deadline for the Senior Savings Model application. So I'll just go over that quickly once more. So for the Part D Senior Savings Model, the application deadline is April 12 and that's 11:59pm Pacific time.

00:55:56.580 --> 00:55:57.210

JASON PETROSKI: Thanks, Judy.

00:55:59.970 --> 00:56:20.550

JASON PETROSKI: Okay, so we'll take one last question here. And this one's for Hunter. Is the Part D Payment Modernization Model application process for CY 2022 for PDP or standalone plans only for is this also for MA-PD plans?

00:56:23.550 --> 00:56:29.250

Hunter: The Model is open to PDPs and MA-PDs and again also all SNP types.

00:56:32.700 --> 00:56:33.870

JASON PETROSKI: Okay, thanks. Hunter.

00:56:35.280 --> 00:57:15.960

JASON PETROSKI: Okay. Well, I think that just brings us to time here for this session. Again, wanted to thank everybody for sharing their time with us. Hopefully the information we presented today was valuable. Hopefully it's given your organization, the information you need to really, you know, test this project, these projects out with us, fill out an application, and consider being a participant. Again, if you have additional questions that come up, please use the emails that we provided earlier. We'll also make the slide deck, as I mentioned, available.

00:57:17.370 --> 00:57:28.890

JASON PETROSKI: I think our intent is to post that at some point on our website, but want to thank everybody, thank you to my colleagues for presenting today, and hope everybody has a good rest of their day.