HPMS E-Mail

Date: August 14, 2018

Subject: CY 2019 HPMS Part D Formulary File Updates: Prior Authorization and Step Therapy for Part B Drugs

Dear Formulary Contacts and Medicare Compliance Officers:

This email notification is a follow-up to the August 7, 2018 Health Plan Management System (HPMS) memorandum titled "Prior Authorization and Step Therapy for Part B Drugs in Medicare Advantage". The purpose of this email is to provide instructions regarding how Medicare Advantage Prescription Drug (MA-PD) Plans can update their HPMS Part D formulary files to incorporate any necessary changes in response to the August 7 memorandum.

Instructions for Requesting Prior Authorization and Formulary File Updates

As noted in the August 7 memorandum, a supplemental formulary resubmission window will be offered from August 17 to August 21, 2018 to MA organizations that need to update their HPMS Part D formulary and/or prior authorization (PA) files in response to this updated guidance. Since this is not a program-wide submission window, CMS will only open formulary and PA criteria gates that sponsors identify in advance. An MA-PD may request to make either of the following updates during this supplemental formulary submission window:

1. The addition of a PA edit and corresponding criteria to an existing formulary Part D drug. This type of change will be necessary when the MA organization will require a Part B drug prior to a formulary Part D drug that does not currently have PA requirements. In this scenario, the formulary resubmission gate will be opened and the Part D sponsor can add the PA edit and submit the corresponding UM criteria. This type of change would also apply in situations where the existing formulary Part D drug was submitted with a type 3 PA but will be changed to a type 1 or 2 as a result of this guidance.

2. Modification of existing Part D PA criteria to add any requirements where a Part B drug will be required prior to the Part D drug. In this situation, only the applicable PA criteria gate will be opened since the Part D drug already has a PA requirement on the formulary flat file.

Part D sponsors will utilize the attached template to request the opening of applicable formulary and/or PA gates.

The template must be completed as follows:

a) **FID**: enter only one valid 5-digit CY 2019 formulary ID per line item. However, you may enter more than one FID per template.

b) **Type of Change Requested:** from a drop-down menu, select either "Addition of New PA Edit and Criteria" or "Revision of Existing PA Criteria" or "Addition of a New PA Criteria."

c) **PA Group Description**: for drugs where a PA already exists, enter the current PA group description from the CY 2019 HPMS formulary file. Please note that the PA group descriptions included on the template **must exactly match** the PA group descriptions from the formulary file, including spacing, commas, hyphen, and other characters. If the PA group description does not exactly match, the PA gates will not open in HPMS.

d) **Formulary File Submission Required:** If the formulary file must be resubmitted to allow for the addition of a new PA edit in response to the August 7 memorandum, select "Yes" from the drop-down menu.

Please submit the completed template to the CMS UM Criteria Requests mailbox: umcriteriarequests@cms.hhs.gov by 12:00 p.m. EDT on August 16, 2018. The subject line of the email should read "CY 2019 PA Criteria Request Template – Formulary ID 19XXX."

Instructions for Submitting Prior Authorization and Formulary File Updates

During the August 17 – August 21 supplemental window, Part D sponsors who have requested gate openings will submit only those formulary and PA criteria file updates outlined above. With respect to specific PA criteria involving Part B and Part D drugs, as noted in the August 7 HPMS memorandum, if the Pharmacy and Therapeutics (P&T) committee has not finalized the criteria, please submit "Criteria Pending." CMS will provide an opportunity to submit finalized criteria at a later date. In addition, if a specific formulary is associated with both an MA-PD and a stand-alone prescription drug plan (PDP), criteria that is specific to the trial of a Part B drug prior to a Part D drug cannot be applied to PDP enrollees. If this scenario exists, the following statement must be submitted in the "Other Criteria" field: "Applies only to beneficiaries enrolled in an MA-PD plan."

If you have any questions regarding this email, please contact PartDFormularies@cms.hhs.gov.