

CENTERS FOR MEDICARE & MEDICAID SERVICES

TO: Office of Management and Budget

FROM: Lori Robinson, Director Division of Plan Data Medicare Drug Benefit and C & D Data Group Center for Medicare

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DATE: March 23, 2012

SUBJECT: Response to CMS-R-262 and CMS-10142 Comments

CMS appreciates the comments provided on the Paperwork Reduction Act (PRA) packages CMS-R-262, CY 2013*Plan Benefit Package (PBP) and Formulary Submission for Medicare Advantage (MA) Plans and Prescription Drug Plans (PDP)* and CMS-10142, CY 2013 Bid Pricing Tool (BPT) for Medicare Advantage (MA) Plans and Prescription Drug Plans (PDP). Our responses to the comments submitted are below.

Plan Benefit Package (PBP) Comments

1. PBP – Section B – 1a (Inpatient Hospital Acute)

PBP - Section 1a Inpatient Hospital-Acute: Our Cost plans are structured with a flat dollar cost-sharing per benefit period for Inpatient benefit. When the copay is entered the sentence, "\$xxx copay for each Medicare-covered hospital stay" is generated rather than "\$xxx copay for each benefit period". Since this benefit may be administered either way, both options ("each benefit period" or "each Medicare-covered stay") should be available to more accurately reflect how the benefit is administered and for consistency with EOC language.

CMS RESPONSE: We cannot accommodate this change for Contract Year (CY) 2013. CMS will consider this suggestion for a future release of the PBP software.

If the data entry does not allow your organization to accurately describe its benefits, you should describe your benefits in the notes section of the PBP software and request a Summary of Benefits (SB) Hard Copy Change.

2. PBP – Section B-4a (Emergency Care)

While the PBP provides the ability to enter a "coinsurance" or "copayment" amount for worldwide emergency care, it does not allow selection of "coinsurance" if a "copay" has been entered for emergency care in the U.S.. It is common practice for plan sponsors to have a copayment in the U.S. and coinsurance outside the U.S. and worldwide where plan liability is greater. The PBP options should reflect this practice and allow copayment and coinsurance to be used interchangeably.

CMS RESPONSE: The PBP software currently allows users to enter both a coinsurance and a copayment for worldwide emergency care. This user may enter the benefit as described above using the current software design.

3. PBP – Section B – 4b (Urgently Needed Care)

The PBP does not allow selection of "coinsurance" if a "copay" has been entered for urgently needed care in the U.S. It is common practice for plan sponsors to have a copayment in the U.S. and coinsurance outside the U.S. and worldwide where plan liability is greater. The PBP options should reflect this practice and allow copayment and coinsurance to be used interchangeably.

CMS RESPONSE: The PBP software currently allows users to enter both a coinsurance and a copayment for worldwide emergency care. This user may enter the benefit as described above using the current software design.

Summary of Benefit (SB) Comments

1. Summary of Benefits SB – 3: Inpatient Hospital Care

Sentence for additional hospital days is confusing. It would be more accurate and descriptive if this sentence read: \$xx copay for additional non-Medicare-covered hospital days.

CMS RESPONSE: The additional hospital day sentence generates as follows: "\$___ copay for each additional hospital day." CMS believes the current language is not confusing and accurately reflects the benefit that is offered.

Bid Pricing Tool (BPT) Comments

No comments received for CMS-10142.

If you have any questions regarding our responses to PBP or SB comments, please contact Sara Silver at <u>Sara.Silver@cms.hhs.gov</u> or 410-786-3330.

Thank you.