

DEPARTMENT OF HEALTH & HUMAN SERVICES
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CENTER FOR MEDICARE

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

DATE: January 10, 2017

SUBJECT: Response to CMS-R-262 60-Day PRA comments

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

CMS received two comments from one organization. Responses to the comments are below.

Plan Benefit Package (PBP) and Formulary Comments

1. **“Optional Supplemental – OON Optional” and “Optional Supplemental – OON Step-up” (pgs. 29 & 30).** CMS is proposing to modify the PBP so that if an HMO-POS plan offers optional supplemental benefits and performs a Copy Plan (from Previous Year) of Section D, the PBP will populate and save the out-of-network (OON) Step-up fields with the values from the copied plan. HCSC supports this proposed change, which we believe will streamline data entry and promote accuracy in population of this section of the PBP since populating and saving the OON Step-up field values with the values from the copied plan will mitigate the need for manual data entry.

CMS RESPONSE: CMS appreciates the support received for this change to the PBP. There are no changes to the PRA documents or burden estimates because of this comment.

2. **2018 Tier Model Options.** CMS is proposing four additional Part D formulary tier model options for CY 2018 in an effort to “help organizations to more accurately select tier models.” Specifically, the agency is proposing one new three-tier structure and three new six-tier structures. We note that currently, Part D sponsors may choose to designate one formulary tier as their Specialty Tier, on which Part D drugs with sponsor negotiated prices that exceed the dollar per month threshold established annually by CMS may be placed. However, in an effort to address the increased market entry of new high-cost drugs, as well as maintain an affordable and accessible Part D program for beneficiaries, HCSC believes that CMS should permit sponsors

to designate two separate specialty tiers, a preferred specialty tier with lower cost sharing and a non-preferred specialty tier.

CMS RESPONSE: CMS appreciates this comment, but this comment is beyond the scope of this PRA submission. The tier model changes in this package were included only to add the remaining possible models that were not included for CY 2017. CMS will consider your comment in future policy. There are no changes to the PRA documents or burden estimates because of this comment.

If you have any questions regarding our responses, please contact Sara Walters at sara.walters@cms.hhs.gov or 410-786-3330.

Thank you.