April 2, 2024

Submitted electronically via federal eRulemaking Portal: www.regulations.gov.

Mr. William B. Parham, III
U.S. Centers for Medicare & Medicaid Services
Office of Strategic Operations and Regulatory Affairs
Division of Regulations Development
7500 Security Boulevard
Baltimore, Maryland 21244–1850

RE: Medicare Part D Reporting Requirements and Supporting Regulations in MMA Title I, Part 423, §423.514 (CMS-10185; OMB 0938-0992)

Dear Mr. Parham:

The Pharmaceutical Care Management Association (PCMA) appreciates the opportunity to submit comments on the U.S. Centers for Medicare & Medicaid Services' (CMS) intent to collect information with respect to Medicare Part D reporting requirements.[1]

PCMA is the national association representing America's pharmacy benefit managers (PBMs), which administer prescription drug plans and operate specialty pharmacies for more than 275 million Americans with health coverage through Fortune 500 companies, health insurers, labor unions, Medicare, Medicaid, the Federal Employees Health Benefits Program, and through the exchanges established by the Affordable Care Act. Our members work closely with plans and issuers to secure lower costs for prescription drugs and achieve better health outcomes.

The Inflation Reduction Act (IRA) established the Medicare prescription payment plan (M3P) that requires Medicare Part D plans with prescription drug coverage to offer enrollees the option to pay out-of-pocket prescription drug costs in the form of capped monthly payments instead of all at once at the pharmacy. CMS is proposing to add a new reporting section to the Part D reporting requirements for the new Medicare Prescription Payment Plan (the "Program"). As part of this new reporting section, CMS will collect data from part D plan sponsors on: (1) the total number of individuals identified during the reporting period as likely to benefit from the Program; (2) total uncollected Program balances from the reporting period; (3) number of Program participants with uncollected Program balances from the reporting period; and (4) number of individuals precluded from opting into the Program (in the subsequent year). CMS states that it will collect the data described in the new reporting section "to assess the performance of Part D Sponsors with respect to the Program's requirements."
PCMA agrees with CMS that the collection of this information "will help ensure financial stability, quality healthcare services, including pharmacy benefits and regulatory compliance in the Medicare

[1] 89 Fed. Reg. 7398 (Feb. 2, 2024).

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Part D program, ultimately enhancing beneficiary satisfaction and program effectiveness." We also stress that information collected regarding the Program should be used to monitor and evaluate enrollee behavior with regard to Program participation and compliance, including delinquent and unpaid monthly payments. Proper accounting of this information, and mechanisms to preclude noncompliant beneficiaries from re-enrolling in the Program with a new Part D plan, will be vital to ensuring the ongoing success of the Program.

As we explained in our comments to CMS's Draft Part One Guidance on the Program, Part D plans are concerned that the Program lacks sufficient incentives for enrollees to make the required monthly payments, and that unpaid amounts may ultimately contribute to higher costs in the Part D program, including increased premium exposure for enrollees. We believe there needs to be stronger incentives for members to pay their monthly payments owed their current, and former, plans. Given that some enrollees may be delinquent with payments, CMS must use the information collected from Part D plans on the Program to evaluate patterns of beneficiary behavior, including where failure to pay monthly bills creates a risk of fraud, waste, and abuse, necessitating further action.

PCMA would also like to highlight some temporal issues related to data collection and reporting as well. We are concerned that the last Monday in February is likely too soon to report on delinquencies, given where beneficiaries may be in their grace periods. Instead, moving the reporting deadline to the end of April will allow for more complete usable and actionable data. This is because non-payment for December cost-sharing, due in January, would not have run out the grace period in February. In addition, CMS needs to account for data production time prior to reporting.

In order to preserve the integrity of the Program, we urge CMS to use the information collected from Part D plan sponsors to monitor enrollee behavior with respect to the Program and develop stronger incentives for enrollees to make the required monthly payments.

We appreciate the opportunity to comment on this proposal to collect new information with respect to the Program. We look forward to continued engagement with the agency to ensure successful implementation of the Program, which will require addressing the risk of beneficiaries' non-payment of monthly payments, with limited repercussions against the beneficiary. If you need any additional information, please reach out to me at tdube@pcmanet.org.

Sincerely,

Tim Dube

Tim Dube
Senior Vice President, Policy & Regulatory Insights

cc: Debjani Mukherjee, Senior Director, Regulatory Affairs, PCMA