



Submitted via Federal e-Rulemaking Portal: <https://www.regulations.gov/>

William Parham

November 22, 2023

Director, Paperwork Reduction Staff
Office of Strategic Operations and Regulatory Affairs,
Centers for Medicare & Medicaid Services

Re: Bid Pricing Tool for Medicare Advantage Plans and Prescription Drug Plans (CMS-10142)

Mr. Parham,

Elevance Health appreciates this opportunity to comment on draft changes to the Centers for Medicare & Medicaid Services' (CMS) Bid Pricing Tool (BPT) for Medicare Advantage (MA) Plans and Prescription Drug Plans (PDP), published on September 29, 2023.

Elevance Health is a lifetime, trusted health partner fueled by its purpose to improve the health of humanity. The company supports consumers, families, and communities across the entire care journey – connecting them to the care, support, and resources they need to lead healthier lives. Elevance Health's companies serve more than 118 million people through a diverse portfolio of industry-leading medical, digital, pharmacy, behavioral, clinical, and complex care solutions.

Each year, MA and Part D plans are required to submit an actuarial pricing “bid” for each plan offered to Medicare beneficiaries for approval by CMS. The BPT software is critical to ensure that MA and Part D plans can accurately and seamlessly develop their actuarial pricing bid. That said, we would like to share two specific comments related to the Part D draft BPT instructions and offer several clarifying questions that we seek feedback on from CMS.

In response to the Part D instructions, Elevance Health has two comments:

1. On page 12, CMS notes the average paid amount per member is “ Σ [Covered Plan Paid Amount (CPP) + Non-Covered Plan Paid Amount (NPP) + Low-Income Cost Sharing (LICS)] \div Members.” We understand this to be a change from Contract Year (CY) 2024 since the manufacturer gap discount was removed. We recommend that CMS either include the manufacturer gap discount in the formula referenced above or it should be included elsewhere in Work Sheet One. This will ensure the discount is removed from the allowed costs as an amount that is not paid by the plan.
2. Referring to page 28, CMS includes the Payment Modernization Model at Line 12 and requests a response on whether the plan is participating in the model. Elevance



Health understands that the Payment Modernization Model is no longer active. We recommend that CMS consider removing this line from the BPTs and instructions.

Relevant to Part D, Elevance Health seeks clarification on the following items:

1. Is a plan allowed to set a maximum out-of-pocket (MOOP) value less than the \$2,000 limit?
2. For post-MOOP phase claims, where the manufacturer is specified and/or specified small and pays reduced manufacturer discount program (MDP) liability, does the plan pay the difference? Elevance Health's understanding is that the plan pays the difference, but the 2025 BPT mockup uses a hardcoded 60% to calculate the net plan paid above MOOP. If that interpretation is correct, will the plan also pay the difference for reduced MDP liability in the pre-MOOP phase as well?
3. We seek clarification on whether the standard plan cost share or the actual plan cost share from an enhanced, basic alternative or wrap plan will accrue towards beneficiaries' MOOP for plan year 2025.

We value the partnership that we have developed with CMS and welcome the opportunity to discuss our comments and questions on draft BPT tool and instructions. Should you have any questions or wish to discuss our comments further, please contact Jeremiah McCoy at 202-302-4028, or jeremiah.mccoy@elevancehealth.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Elizabeth P. Hall".

Elizabeth P. Hall
Vice President

About Elevance Health, Inc.

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