June 24, 2024

Submitted electronically via www.reginfo.gov/public/do/ PRAMain.

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)

Dear Mr. Parham:

The Pharmaceutical Care Management Association (PCMA) appreciates the opportunity to submit comments on the revised draft Medicare Part D reporting requirements, to be effective January 1, 2025, pursuant to the Notice published by the U.S. Centers for Medicare & Medicaid Services (CMS) in the *Federal Register* on May 24, 2024.[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.

CMS is proposing to add a new reporting section to the Part D reporting requirements for the Medicare Prescription Payment Plan (the "Program"). Under the Program, Medicare Part D sponsors are required to offer their Part D enrollees the option to pay their out-of-pocket (OOP) Part D drug costs through monthly payments over the course of the plan year instead of as upfront payments at the pharmacy point of sale (POS), beginning January 1, 2025. As part of this new reporting section, Part D sponsors would be required to report information on the number of individuals identified as likely to benefit from the Program using different criteria, election requests processed, and information related to unsettled balances. As a matter of course, whether the plan is a Medicare Advantage plan with drug benefits or a standalone Part D plan, the plan sponsor's PBM would be responsible for producing most of the data CMS is seeking.

[1] 89 Fed. Reg. 45898 (May 24, 2024).

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CMS states that the data collected regarding the Program is to "assess the performance of Part D Sponsors" with respect to the Medicare Prescription Payment Plan, and that this oversight will help ensure financial stability and quality health care services, ultimately enhancing beneficiary satisfaction and program effectiveness.

PCMA supports the collection of M3P Program information to advance these goals. We believe it is important that M3P Program information collected should be used to assess beneficiary's use of the Program and, in particular, the extent to which the participants have delinquent or unpaid monthly balances. A full accounting of this information and understanding of the incentives and disincentives for failing to comply are critical to be able to establish mechanisms to preclude noncompliant beneficiaries from re-enrolling in the Program with a new Part D plan, which is in turn vital for ensuring the ongoing success of the Program and financial stability of the Part D benefit as a whole.

As discussed in our comments to the Draft Part One Guidance on the Program,[2] Part D plans and their contracted PBMs are concerned that the Program lacks sufficient incentives for enrollees to make the required monthly payments. These unpaid amounts contribute to higher costs in the Part D program, including increased premiums for all enrollees. We believe it is important for CMS to use its broad regulatory authority under the Part D program to establish effective incentives for members to make their required monthly payments under the Program, including amounts owed to former plans.

We therefore ask that CMS use the Part D reporting requirements to collect and use information on enrollee payment history to identify patterns of beneficiary's behavior, including where failure to pay monthly bills may constitute fraud, waste, and abuse, and use this as a basis to implement appropriate guardrails to deter or prevent such behavior. This is not only to control the costs of the Program and the Part D benefit as a whole but to ensure the integrity of the Program.

Finally, we would like to thank CMS for changing the reporting deadline for Program information to the end of April, rather than the end of February. As mentioned in our prior comments, this change will allow for more complete usable and actionable data as members will have run out their payment grace periods by this time.

[2] Medicare Prescription Payment Plan | CMS, Medicare Prescription Payment Plan Final Part One Guidance (cms.gov) February 29, 2024.

We appreciate the opportunity to comment on the revised Part D reporting requirements and, in particular, the new reporting requirements for the Program. We and our members look forward to continuing to work with CMS to ensure the success of the Program. If you need any additional information, please reach out to Debjani Mukherjee at dmukherjee@pcmanet.org.

Sincerely,

Tim Dube

Tim Dube
Senior Vice President, Policy & Regulatory Insights

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