DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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CENTERS FOR MEDICARE & MEDICAID SERVICES

DATE: March 20, 2023

TO: All Current and Prospective Medicare Advantage, Prescription Drug Plan, Section 1876 Cost, PACE, and Demonstration Organizations and Bid and Actuarial Certification Consultants

FROM: Amy Larrick Chavez-Valdez, Director
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SUBJECT: Preparing for the Contract Year (CY) 2024 Bid Submission Process in HPMS

On May 5, 2023, CMS will release the CY 2024 Bid Submission module in HPMS. This memo addresses changes resulting from the implementation of the new Plan Benefit Package (PBP) module and provides suggestions for navigating the process.

For CY 2024, the bid submission deadline is **11:59 p.m. PDT on June 5, 2023.**

<u>Components of a Bid Submission</u>

To meet the requirements of a complete bid submission, organizations must complete the following components in HPMS by the bid submission deadline.

	Bid Component	**Submission Notes**
A	Plan Benefit Package (PBP)	Required for all plans. [1]
B	Bid Pricing Tool (BPT)	Required for all plans except employer group waiver plans (EGWP) and Medicare-Medicaid Plans (MMP). [2]
C	Formulary Submission	Required for contracts offering Part D with a formulary.
D	Service Area Verification (SAV)	Required for all contracts.
E	Plan Crosswalk	Required for renewing contracts.
F	Formulary Crosswalk	Required for contracts offering Part D with a formulary.
G	Substantiation for Bid Pricing	Required for all contracts submitting a BPT.

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[1] 1876 cost plans may submit the PBP, but they are only required to do so when offering Part D.
[2] 1876 cost plans are only required to submit the BPT when offering Part D.

	Bid Component	Submission Notes
H	Cost Sharing Justification	Required for Medicare Advantage (MA) plans depending upon the plan benefit design. [3]
I	Model Documentation	Only required, upon request by CMS, for organizations participating in the Value-Based Insurance Design (VBID) model.

After the bid submission deadline, organizations are required to submit the following:

	Bid Component	Submission Notes
J	Initial Actuarial Certification	Required for each submitted MA, Part D, MA ESRD-only SNP, and/or MSA BPT. **Due date to be announced in a separate HPMS memo.**
K	Supplemental Formulary Uploads	Required for contracts offering Part D where the organization indicated in the PBP that they offer one or more of the following: partial gap coverage, free first fill, home infusion, over-the-counter medications, excluded drugs, VBID, and/or additional drugs for MMP. **Due by 11:59 a.m. EDT on June 9, 2023.**

Preparing and Final Submitting PBP-BPT Data (Bid Components A and B)

Organizations must complete the following steps to submit PBP and BPT data for each CY 2024 plan.

	Step	Location	Notes
1	Complete all required organization-level data entry (e.g., contract-level contacts).	Basic Contract Management module	This data entry is already available to organizations.
2	Set-up CY 2024 plan structures.	Bid Submission module > Manage Plans > Set-Up Plans page	This functionality will be released on April 7, 2023.
3	Edit plan-specific information.	Bid Submission module > Manage Plans > Edit Marketing Data, Contact Data, Co-Brand Data, and PCN/BIN Data pages	This functionality will be released on April 7, 2023.

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[3] MA organizations with benefit designs using a coinsurance or copayment amount for which CMS does not have an established limit on cost sharing under §§ 422.100 or 422.113 (e.g., coinsurance for inpatient or copayment for the "DME – Equipment" service category) must submit documentation with their initial bid that clearly demonstrates how the coinsurance or copayment amount satisfies the regulatory requirements for each applicable plan.

	Step	Location	Notes
4	Review and clear all plan-specific checks.	Bid Submission module > Manage Plans > Plan-Specific Checks page	This functionality will be released on April 7, 2023.
5	Download blank or plan-specific pre-populated BPTs, if applicable.	Bid Submission module > Download > Generic BPT Software page Bid Submission module > Download > Plan-Specific BPTs page	This functionality will be released on April 7, 2023. Blank BPTs can be downloaded at any time. Organizations must pass all plan-specific checks (step 4) for a given plan <u>before</u> downloading pre-populated BPTs.
6	Complete BPT data entry, if applicable.	Performed outside of HPMS.	This step can be completed at any time after downloading the blank or pre-populated BPTs from HPMS.
7	Complete PBP data entry.	PBP module [4]	This functionality will be released on April 7, 2023. Organizations must pass all plan-specific checks (step 4) for a given plan <u>before</u> starting PBP data entry. This step is independent of the BPT data entry process and can be completed at any time prior to the final submission of the PBP-BPT data.

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[4] Organizations have the option to submit their PBP data via API.

	Step	Location	Notes
8	Upload completed BPT(s), if applicable.	Bid Submission module > Upload > BPT Upload page	This functionality will be released on May 5, 2023. Organizations must clear all BPT upload validations for a given plan in order to upload successfully. This step is independent of the PBP data entry process and can be completed at any time prior to the final submission of the PBP-BPT data.
9	Final submit the PBP and BPT, if applicable, data for each plan.	Bid Submission module > Upload > PBP-BPT Final Submission page	This functionality will be released on May 5, 2023. In order to final submit a PBP-BPT for a plan, the PBP must be "ready for submission" in the PBP module, and the BPT must be successfully uploaded to HPMS.

Completing the Remaining Bid Components

In addition to performing a PBP-BPT final submission, organizations must complete the following for each CY 2024 plan.

	Bid Component	Location	Notes
C	Formulary Submission	Formulary Submission module	This functionality will be released on May 15, 2023. CMS will release CY 2024 guidance in a separate HPMS memo.
D	Service Area Verification (SAV)	Bid Submission module > Upload > Verify Service Area page	This functionality will be released on April 14, 2023. If the contract service area is modified after verifying the service area, an organization must return to the SAV to re-verify.

	Bid Component	Location	Notes
E	Plan Crosswalk	Bid Submission module > Upload > Plan Crosswalk page	This functionality will be released on May 5, 2023. If plans are added or deleted after completion of the plan crosswalk, an organization must update the plan crosswalk accordingly.
F	Formulary Crosswalk	Bid Submission module > Upload > Formulary Crosswalk page	This functionality will be released on May 5, 2023.
G	Substantiation for Bid Pricing	Bid Submission module > Upload > Substantiation page	This functionality will be released on May 5, 2023.
H	Cost Sharing Justification	Bid Submission module > Upload > Cost Sharing Justification page	This functionality will be released on May 5, 2023.
I	Model Documentation	Bid Submission module > Upload > Model Documentation page	This functionality will be released on May 5, 2023.

Organizations must complete all bid submission requirements by the bid submission deadline in order for the bid to be sent forward to the desk review process.

Suggestions for Navigating the Process

- Ensure that plan and consultant users are set-up with appropriate access to HPMS bid functionality. Visit https://www.cms.gov/research-statistics-data-and-systems/computer-data-and-systems/hpms/useridprocess for information on obtaining a CMS user ID with HPMS access and requesting elevated permissions, including bid and actuarial certification consultant access, PBP-BPT final submission access, and signatory access.

- Start reviewing the Basic Contract Management module now, and ensure that all required fields have been completed before the release of the PBP and BPT on April 7, 2023.

- Be prepared to set-up your CY 2024 plan structures and complete all plan-specific data entry, including, but not limited to, plan names, plan service areas, and customer service hours, in the Bid Submission module beginning on April 7, 2023.

- Monitor the plan-specific checks page frequently to ensure that all issues have been resolved. Certain changes to the Set-Up Plans page (e.g., plan type, SNP type, Part D flag, VBID flag, and plan service area) may require corresponding changes to the PBP and/or BPT. Failure to ensure that the completed PBP and/or BPT is consistent with the

plan information defined on the Set-Up Plans page will result in validation issues in the bid submission process.

- Keep in mind that CMMI will <u>not</u> enter CY 2024 VBID determinations into HPMS until after the release of the CY 2024 PBP. Once the VBID flags are set at the contract-level in HPMS, organizations must return to the Set-Up Plans page in the Bid Submission module and set the VBID flag for the impacted CY 2024 plans. After the plan-level flags are set, and the plan-specific checks are cleared, organizations will have access to the VBID screens in the PBP module. Please reach out to the VBID Model mailbox at VBID@cms.hhs.gov with questions related to VBID.

- **Remember that certain changes made to the Set-Up Plans page <u>after performing</u> a PBP-BPT final submission will require organizations to perform a new PBP-BPT final submission.** HPMS will present an on-screen warning if a user attempts to submit plan set-up changes after a successful PBP-BPT final submission. Failure to complete a new PBP-BPT final submission prior to the bid deadline will result in an incomplete bid submission.

As we proceed through the CY 2024 bid submission season, CMS will disseminate additional HPMS memos, instructions, and user guides that will provide greater detail about the requirements described in this memo. These supplemental materials will address topics including, but not limited to: release of the PBP/BPT software; technical bidding guidance for EGWPs; BPT instructions; formulary submission process; release of the bid submission functionality; and technical user guides for the PBP, BPT, and the bid and formulary submission modules. CMS **<u>strongly encourages</u>** organizations to use these materials to identify the bid submission requirements that are specific to each contract and plan.

For questions about this memo, please contact Erica Scott at Erica.Scott@cms.hhs.gov.

For technical assistance, please contact the HPMS Help Desk at either 1-800-220-2028 or hpms@cms.hhs.gov.