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**DATE:** May 3, 2024

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

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**SUBJECT:** Release of the Contract Year (CY) 2025 Bid Submission Functionality in HPMS

CMS is pleased to announce the release of the CY 2025 bid submission functionality in HPMS. Organizations will use the following navigation path to access this functionality: HPMS > Plan Bids > Bid Submission > CY 2025 > Upload. For CY 2025, the bid submission deadline is **11:59 p.m. PDT on June 3, 2024**. All submission requirements must be completed by this deadline for a bid to be sent forward to desk review.

**Components of a Bid Submission**

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

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

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<sup>1</sup> 1876 cost plans may submit the PBP, but they are only required to do so when offering Part D.

<sup>2</sup> 1876 cost plans are only required to submit the BPT when offering Part D.

	<b>Bid Component</b>	<b>Submission Notes</b>
<b>G</b>	Substantiation for Bid Pricing	Required for all contracts submitting a BPT.
<b>H</b>	Cost Sharing Justification	Required for Medicare Advantage (MA) plans depending upon the plan benefit design. <sup>3</sup>
<b>I</b>	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:

	<b>Bid Component</b>	<b>Submission Notes</b>
<b>J</b>	Initial Actuarial Certification	Required for each submitted MA, Part D, MA ESRD-only SNP, and/or MSA BPT. <b>Due date to be announced in a separate HPMS memo.</b>
<b>K</b>	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: free first fill, home infusion, over-the-counter medications, excluded drugs, VBID, and/or additional drugs for MMP. <b>Due by 11:59 a.m. EDT on June 7, 2024.</b>

### **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 2025 plan:

	<b>Step</b>	<b>Location</b>	<b>Notes</b>
<b>1</b>	Complete all required organization-level data entry (e.g., contract-level contacts).	Basic Contract Management module	
<b>2</b>	Set-up CY 2025 plan structures.	Bid Submission module > Manage Plans > Set-Up Plans page	

<sup>3</sup> For MA plans that use: (1) coinsurance for inpatient hospital acute and psychiatric or SNF plan benefits or (2) copayment for DME service categories for which CMS does not have a set copayment limit, MA organizations must submit documentation with their initial bid that clearly demonstrates how these amounts satisfy the regulatory requirements for each applicable plan. This is because CMS does not have an established coinsurance limit for the inpatient hospital or SNF benefits under § 422.100 and has not set a copayment limit for all service categories of DME. In addition, for MA plans that use a coinsurance or copayment amount for other service categories for which CMS does not have an established limit on cost sharing under §§ 422.100 or 422.113, the MA organization must submit this documentation upon request by CMS.

	Step	Location	Notes
3	Edit plan-specific information.	Bid Submission module > Manage Plans > Edit Marketing Data, Contact Data, Co-Brand Data, and PCN/BIN Data pages	
4	Review and clear all plan-specific checks.	Bid Submission module > Manage Plans > Plan-Specific Checks page	
5	Download blank or plan-specific pre-populated BPTs, if applicable.	<p>Bid Submission module &gt; Download &gt; Generic BPT Software page</p> <p>Bid Submission module &gt; Download &gt; Plan-Specific BPTs page</p>	<p>Blank BPTs can be downloaded at any time.</p> <p>Organizations must pass all plan-specific checks (step 4) for a given plan <u>before</u> downloading pre-populated BPTs.</p>
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 <sup>4</sup>	<p>Organizations must pass all plan-specific checks (step 4) for a given plan <u>before</u> starting PBP data entry.</p> <p>Upon completion of all sections, the PBP will be set to “ready for review.” Organizations must select the “start reviewing” button. If no errors are found with the PBP, the status will be set to “ready for submission.”</p> <p>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.</p>

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<sup>4</sup> 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	Organizations must clear all BPT upload validations for a given plan 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	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 2025 plan:

	Bid Component	Location	Notes
C	Formulary Submission	Formulary Submission module	This functionality will be released on May 10, 2024. CMS will release CY 2025 guidance in a separate HPMS memo.
D	Service Area Verification (SAV)	Bid Submission module > Upload > Verify Service Area page	If the contract service area is modified after verifying the service area, an organization must return to the SAV to re-verify.
E	Plan Crosswalk	Bid Submission module > Upload > Plan Crosswalk page	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	

	<b>Bid Component</b>	<b>Location</b>	<b>Notes</b>
<b>G</b>	Substantiation for Bid Pricing	Bid Submission module > Upload > Substantiation page	
<b>H</b>	Cost Sharing Justification	Bid Submission module > Upload > Cost Sharing Justification page	
<b>I</b>	Model Documentation	Bid Submission module > Upload > Model Documentation page	

### **Bid Submission**

All organizations are required to upload the completed bid submission, which is comprised of the applicable BPT(s) and PBP for each plan being submitted. Organizations must ensure that all software patches, if applicable, have been applied to the BPT and PBP prior to upload.

Throughout the bid submission process, organizations should review the status of the various components of the bid upload to ensure successful completion. The status of each component may be viewed in HPMS at: Plan Bids > Bid Submission > CY 2025 > Upload > Review Upload Status.

When uploading an MA-only plan bid, applicable organizations are required to attest that they also offer at least one MA-PD plan in each county covered by the legal entity's service area.

*Calendar Year/Non-Calendar Year Indicator for Employer-Only Plans: When setting up employer-only plans, organizations must respond to the following question on the "Edit Plan Information" screen:*

*Type of Employer-Only Plan: Calendar Year or Non-Calendar Year*

***This indicator impacts plan payment, so it is critical that all organizations review and update their Calendar Year/Non-Calendar Year designations each year to ensure accuracy.***

### **Service Area Verification**

CMS released the Service Area Verification (SAV) functionality on April 12, 2024. **All organizations that submit bids** must review their entire contract service area and applicable attributes (e.g., employer-only/special needs plan/pending/partial counties or regions) and provide their concurrence or non-concurrence. Organizations that non-concur must provide an explanation as to what is incorrect with their contract service area, such as a county or region that is not listed or one that is erroneously listed. If there are counties that are erroneously listed or counties that an organization plans to withdraw from its service area, the organization should not assign these counties to any of its plans.

If an organization non-concurs with any portion of the contract service area, each noted

discrepancy must be resolved with CMS as soon as possible (as noted in the table below). Service area issues may result in serious delays of the CMS bid desk review process. Once discrepancies are resolved with CMS, organizations must re-verify the contract service area and concur in HPMS as soon as possible.

The SAV functionality provides the following information: the counties/regions assigned to a contract; whether it is an employer-only county/region; whether it is a Special Needs Plan (SNP) service area; whether it is a pending county/region; whether it is a partial county; the number of individual and SNP plans that contain that county/region; and the number of employer plans that contain that county/region. If the **Partial County** displays a “Yes,” organizations can select the “Yes” link to view the zip codes for that partial county. If the **Number of SNP Types** displays a number, organizations can select that number to view the SNP type(s) associated with the county. By selecting the “Number of Individual and SNP Plans” or “Number of Employer Plans” link, organizations can view the plan ID(s) that contains that county/region.

If an organization identifies any issue with its contract service area, please contact CMS via the appropriate channel(s) as noted below:

<b>MAO and PACE Service Area Issues (Individual and Employer Service Areas)</b>	<a href="https://dmao.lmi.org/">https://dmao.lmi.org/</a>
<b>PDP Service Area Issues (Individual and Employer Service Areas)</b>	<a href="mailto:PartD_Monitoring@cms.hhs.gov">PartD_Monitoring@cms.hhs.gov</a>
<b>Special Needs Plan (SNP) Service Area Issues</b>	<a href="https://dmao.lmi.org/">https://dmao.lmi.org/</a>
<b>Medicare-Medicaid Plans Service Area Issues</b>	<a href="mailto:MMCOCapsModel@cms.hhs.gov">MMCOCapsModel@cms.hhs.gov</a>

### **Plan Crosswalk**

All returning organizations (i.e., organizations that existed in CY 2024) must complete a plan crosswalk in HPMS by the bid submission deadline of June 3, 2024. Organizations will use this crosswalk to identify the relationships between their CY 2024 plans and CY 2025 plans. Please note that organizations will be required to complete the crosswalk for all contract numbers. CMS uses the plan crosswalk to identify whether plan enrollees must be moved to another plan for the upcoming contract year due to a plan reconfiguration, as well as to identify any beneficiary notification requirements.

The plan crosswalk cannot be changed after the bid submission deadline. The most recent version of the plan crosswalk in HPMS on June 3, 2024 will be considered the official crosswalk. For additional guidance, please refer to the CY 2025 Release of the Non-Renewal and Service Area Reduction Module memo and the CY 2025 Crosswalk Guidance memo issued prior to bid submission.

### **Formulary Crosswalk**

Formularies will not be automatically crosswalked. Therefore, Part D organizations must complete the formulary crosswalk in HPMS. Formularies are due in HPMS via the Formulary Submission Module by June 3, 2024. For this requirement to be considered complete, all Part D

plans under that contract must be assigned a formulary ID and all formularies submitted for an organization must be assigned to at least one plan. One formulary ID may be mapped to one or more plans. For Medicare-Medicaid plans, one formulary ID must be submitted for each plan. The formulary crosswalk cannot be changed after the bid submission deadline of June 3, 2024.

### **Substantiation**

Please refer to Appendix B of the MA BPT Instructions and/or Part D BPT Instructions for guidance on the bid substantiation requirements set forth by the Office of the Actuary (OACT). These instructions are available in HPMS at: Plan Bids > Bid Submission > CY 2025 > Documentation > View Documentation > BPT. Once a plan/segment bid has been approved, HPMS will no longer accept any substantiation for that plan/segment.

The substantiation requirement does not apply to the MMP contracts and EGWPs, as they do not submit a BPT.

### **Actuarial Certification**

An actuarial certification is required for each submitted MA, Part D, MA ESRD-only SNP, and/or MSA BPT. Certifying actuaries must certify each bid in HPMS after submission. If the actuarial certification is not completed in HPMS, the bid will not be sent forward to desk review.

Please refer to Appendix A of the MA BPT Instructions and/or Part D BPT Instructions for further information regarding actuarial certification. These instructions may be found in HPMS at: Plan Bids > Bid Submission > CY 2025 > Documentation. Organizations should also refer to the February 23, 2024 HPMS memo entitled, “Instructions for Requesting Consultant Access to the Health Plan Management System (HPMS)” to ensure that their certifying actuaries have the access needed to complete the certification.

The actuarial certification requirement does not apply to the MMP contracts and EGWPs, as they do not submit a BPT.

### **Supplemental Formulary Files**

Free first fill, home infusion drug, over-the-counter, and excluded drug supplemental files are submitted via the supplemental formulary file submission functionality. Organizations must submit the applicable supplemental information for each plan offering by 11:59 a.m. EDT on June 7, 2024. Please note that the supplemental formulary file upload functionality will not become available until an organization’s bid submission is uploaded and unloaded to desk review. For further information on these submissions and the file record layouts, please refer to the CY 2025 Formulary Submission and Technical Manual.

Organizations participating in the Medicare Advantage Value Based Insurance Design (VBID) Model will submit a VBID supplemental file if offering a supplemental benefit under Part D by 11:59 a.m. EDT June 7, 2024. For further information on these submissions and file record layouts, please refer to the CY 2025 Formulary Submission and Technical Manual.

Medicare-Medicaid Plan contracts for CY 2025 will submit all non-Part D drugs on a single supplemental drug file, the Additional Demonstration Drug (ADD) file also by 11:59 a.m. EDT June 7, 2024. For further information on the MMP ADD file submissions, please contact the Medicare-Medicaid Coordination Office at [MMCOCapsModel@cms.hhs.gov](mailto:MMCOCapsModel@cms.hhs.gov).

### **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.
- Be prepared to set-up your CY 2025 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 as soon as possible.
- 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 not enter CY 2025 VBID determinations into HPMS until after the release of the CY 2025 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 2025 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](mailto:VBID@cms.hhs.gov) with questions related to VBID.
- **Remember that certain changes made to the Set-Up Plans page after performing 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 2025 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. CMS **strongly encourages** 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 ([Erica.Scott@cms.hhs.gov](mailto:Erica.Scott@cms.hhs.gov)) or Raven Robinson ([Raven.Robinson@cms.hhs.gov](mailto:Raven.Robinson@cms.hhs.gov)). For technical assistance, please contact the HPMS Help Desk at 1-800-220-2028 or [hpms@cms.hhs.gov](mailto:hpms@cms.hhs.gov).