

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

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TO: All Medicare Advantage Organizations, Prescription Drug Plans and Section 1876 Cost Plans

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SUBJECT: Issuance of Contract Year 2021 Model Materials

This memo announces the release of contract year (CY) 2021 Model Materials. These include the following: Annual Notice of Change (ANOC); Evidence of Coverage (EOC); ANOC Errata Notice; EOC Errata Notice; Part D Explanation of Benefits (EOB); Excluded Provider Model, Formulary (Comprehensive and Abridged); Advance Notice of Formulary Change; Low Income Subsidy (LIS) Rider; Pharmacy Directory; LIS Premium Summary Table; Prescription Transfer Letter; and Transition Letter. Included with the released model materials are instructions for CY 2021 EOC and ANOC Medicare Advantage Organizations Participating in the Hospice Benefit Component of the Value-Based Insurance Design Model. CMS will release the Provider Directory model and its instructions separately, as soon as possible.

CMS would like to highlight the following changes in the ANOC and EOC models, and the Part D EOB:

Annual Notice of Change (ANOC):

All models

- Changed language regarding enrollment if member does not change plans;
- Added language to inform members that they will be automatically disenrolled from the plan if they join another plan during open enrollment;
- Updated language to "If you want to change plans, you can do so between October 15 and December 7";

- Inserted optional text to allow addition of Doing Business As (DBA) names to organization names; and
- Changed instructional language regarding changes in plan premiums, optional supplemental benefit premiums, and Part B premium reductions in Section 2.1.

All Part D models

- Changed “this tier” to “[insert tier name]” in the first column of Stage 2 Initial Coverage Stage preferred cost-sharing chart; and
- Added new language “that otherwise meet the requirements” and “or both,” related to replacing brand name drugs with their new generic equivalents.

All models except D-SNP, MSA, HMO MA and PPO MA

- Added additional language to direct members to the appropriate section for more information in Section 2.1.

All except Cost Plan, PFFS, MSA and PDP

- Added new Value Based Insurance Design Model Test (VBID) benefit information.

Cost Plan

- Added text in front of bullets: “[Plans that do not offer Part D: delete bulleted information below]” in Section 2.1.

D-SNP

- Changed language to match the title of the D-SNP EOC Chapter 4 reference; and
- Replaced “now” with actual date of “October 15” in Section 1 and Section 5.

Evidence of Coverage (EOC):

All models

- Replaced “independent organization” and “independent outside organization” with “Independent Review Organization”; and
- Inserted optional text to allow addition of Doing Business As (DBA) names to organization names.

All Part D models

- Changed "Initial Coverage Gap" to "Initial Coverage Stage";
- Removed two instructions that mention the “Initial Coverage Stage” in Chapter 6, Section 6.2;
- Updated language for consistency and refers to either the premium or Part D late enrollment penalty (LEP) dollar amount values in Chapter 1, Section 7.1;
- Added Part D Income Related Monthly Adjusted Amount (IRMAA) language including reference to Section 6 in Chapter 1, Section 4.1;
- Added “other” in front of “creditable prescription drug coverage,” as Part D is also considered to be creditable coverage in Chapter 1, Section 5.1;

- Added Lexi-Drugs to the list of reference books used to support a medically accepted indication;
- Added language to Part D LEP definition;
- Added "for 63 days or more in a row" related to Part D LEP;
- Added new language regarding Part D drug pricing, including beneficiary information about prescription cost increases and other drugs that may be available to beneficiaries with lower cost sharing;
- Added language for new 2021 regulatory requirement referencing the addition of drug pricing information and lower cost therapeutic alternatives in the Part D EOB;
- Added "the pharmacy will give" and removed "will get" in Chapter 9, Section 6.1;
- Replaced the word "determination" with "decision" in Chapter 12, Definition of Exception;
- Added clarifying language about the Drug Management Program (DMP);
- Removed "For example, some members have several medical conditions, take different drugs at the same time, and have high drug costs" in Chapter 5, Section 10.3;
- Added language about the Medication Therapy Management (MTM) program; and
- Added "or are likely to cause an adverse reaction or other harm" in Chapter 9, Section 6.3.

All models except D-SNP, MSA, HMO MA and PPO MA

- Added language to account for one situation or for two situations when members should submit drug receipts in Chapter 7, Section 4.1.

All models except Cost Plan and PDP

- Removed language on the prohibition on ESRD individuals being allowed to enroll in MA plans; and
- Added clarifying benefit language for additional telehealth services under Physician/Practitioner services, including doctor's office visits in Medical Benefits Chart.

All models except Cost Plan, PFFS, MSA and PDP

- Added new Value Based Insurance Design Model Test (VBID) benefit information.

All models except Cost Plan, MSA, HMO MA, and PPO MA

- Clarified timeframe for creditable prescription drug coverage and paying Part D LEP.

All models except Cost Plan, MSA, and PDP

- Added language in the "Medicare Part B Prescription Drugs" benefit to include statement regarding vaccine coverage in Medical Benefits Chart.

All models except D-SNP and PDP

- Added “or Part B prescription drugs” in Chapter 9, Section 4.2.

All except MSA, HMO MA, PPO MA, and PDP

- Replaced “Levels of Appeal 3, 4, and 5 for Part D Drug Appeals” with “Appeal Levels 3, 4 and 5 for Part D Drug Requests” in Chapter 9, Section 9.2.

All models except PDP

- Added instructions to plans to add COVID-19 benefits if applicable;
- Added new Section 8 titled “Rules for Oxygen Equipment, Supplies, and Maintenance” including what is covered and details about Medicare oxygen equipment coverage cost sharing in Chapter 3; and
- Added Acupuncture benefit in the Medical Benefits Chart included the check to the column "covered only under specific conditions" for Acupuncture in Chapter 4, Section 3.1.

HMO MAPD and PPO MAPD

- Updated I-SNP language to “CCPs serving individuals who meet the definition of “institutionalized”: May” in Chapter 10, Section 1.1; and
- Updated I-SNP language for individuals who meet the definition of "institutionalized", added the word “may” where applicable, and removed extra nursing home language in Chapter 10, Section 2 and 3.

Cost Plan and PFFS

- Added instruction for MA-only plans to omit language regarding IRMAA;
- Added instruction “Section [Insert as applicable: 10 OR 8]” to replace "Section 7" in Chapter 1, Section 8.1;
- Added instruction for MA-only plans to omit language regarding network pharmacy; and
- Added instructions regarding inserting DMP if applicable.

PPO MAPD

- Added a checkmark in the middle column of the “Routine dental care” row in Chapter 4, Section 3.

D-SNP

- Changed former Chapter 9 to Chapter 9A and added optional Chapter 9B;
- Added instructions on when applicable plans should use Chapter 9B and removed appeals and grievances instructions;
- Added cross references for Level 2 Appeals and removed “If this happens, we will let you know” regarding forwards to the independent organization;
- Revised internal Chapter references in Chapter 9A, Section 6.1;
- Removed Part D LEP language beginning with "Plans without a monthly premium” and the paragraph following it in Chapter 1, Section 4.2;

- Removed optional text “[plans without a premium insert: Part D late enrollment penalty]” in Chapter 1, Section 4.2; and
- Removed the bullet referencing paying the Part D LEP eligibility for “Extra Help” in Chapter 1, Section 4.3.

Cost Plan

- Replaced "a Special Enrollment Period" with "an enrollment period." in Chapter 10, Section 2.1; and
- Updated telehealth services details in Medical Benefits Chart.

PFFS

- Added “specifically excluded by Congress from being covered as Part D drugs” in Chapter 12, Part D Drugs definition.

Part D Explanation of Benefits (EOB)

- Updated benefit parameters throughout all Exhibits to reflect CY 2021 parameters;
- Updated references throughout all Exhibits to include electronic access to the plan’s EOC;
- Added instructions for plans to include drug pricing information and lower cost therapeutic alternatives beginning January 1, 2021 (as outlined in CMS-4180-F *Modernizing Part D and Medicare Advantage to Lower Drug Prices and Reduce Out-of-Pocket Expenses*);
- Removed the reference to Material ID in the footer: Exhibit A; and
- Updated Chart 1 to reflect new 2021 regulatory requirements for the inclusion of drug pricing information and lower cost therapeutic alternatives: Exhibits B, G, and Model Part D EOB.

Formulary Abridged and Comprehensive

- Added clarifying language to sub-paragraph “Changes that will not affect you if you are currently taking the drug.”

Advance Notice of Formulary Change

- Added clarifying language under section A2 “Generic Substitutions:” “or both” and “OR “cost sharing and restrictions.”

*Note: The location of changes may vary between models.

All models and standardized documents are located at:
<http://www.cms.gov/Medicare/HealthPlans/ManagedCareMarketing/MarketngModelsStandardDocumentsandEducationalMaterial.html> and <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Part-D-Model-Materials>

Organizations and sponsors must ensure that their CY 2021 documents are compliant with CMS requirements. Direct questions to your CMS Account Manager or Marketing Reviewer.

