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DATE: November 18, 2024

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

FROM: Vanessa S. Duran
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SUBJECT: Contract Year 2025 Part D Drug Management Program Guidance

This memorandum provides updated information to Part D sponsors regarding contract year (CY) 2025 Drug Management Programs (DMPs).

Following is a summary of changes compared to the April 20, 2023 memorandum, *CORRECTION - Contract Year 2023 Part D Drug Management Program Guidance*. New and revised text in the attached guidance is shown in red, italicized font.

- Throughout: Edits made to clarify existing policy.
- Section 5: Updated definition of exempted beneficiary at [42 CFR § 423.100](#) and data sources used to identify beneficiaries in long-term care (LTC) facilities. Listed additional guidelines that may be useful resources for plans to comply with utilization management obligations in [42 CFR § 423.153](#).
- Section 6.2: Removed as there are no longer beneficiary-specific opioid POS claim edits implemented prior to 2019.
- Sections 8, 8.1, 8.2.1, 8.2.2, 8.3, and 8.4: Clarified guidance to notify a beneficiary of a DMP exemption after Initial Notice and Second Notice. Removed references to the Model Part D Drug Management Program Retraction Notice for Exempted Beneficiaries. Incorporated notice timing requirements codified at [42 CFR § 423.153\(f\)\(8\)\(i\)](#) for non-exempt beneficiaries and [42 CFR § 423.153\(f\)\(8\)\(ii\)](#) for exempt beneficiaries.
- Section 8.2.2.1: Added Special Timing Rule for Exempted Beneficiaries.
- Section 11.2: Removed reference to the Model Part D Drug Management Program Retraction Notice for Exempted Beneficiaries.

Additional resources and guidance on the [CMS Part D Overutilization website](#) include:

- CY 2025 Overutilization Monitoring System (OMS) technical guidance.
- Standardized beneficiary notices, model prescriber inquiry letter, and model transfer memo associated with PRA package CMS-10874 (OMB Control No. 0938-1465).

Further information about appeals of at-risk determinations can be found in the Parts C & D Enrollee Grievances, Organization/Coverage Determinations, and Appeals Guidance posted here:

<https://www.cms.gov/Medicare/Appeals-and-Grievances/MMCAG/Downloads/Parts-C-and-D-Enrollee-Grievances-Organization-Coverage-Determinations-and-Appeals-Guidance.pdf>

Questions about DMPs may be submitted to PartD_OM@cms.hhs.gov.