

Calendar Year (CY) 2023 Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model Office Hours

April 5, 2022

Center for Medicare & Medicaid Innovation

Centers for Medicare & Medicaid Services



Disclaimer

This presentation was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This presentation was prepared as a service to the public and is not intended to grant rights or impose obligations. This presentation may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

Agenda

- CMS Introductions
- CY 2023 Application Process, Tips & Timeline
- Question and Answer Session

Presenters

- Laura McWright, Deputy Director, Seamless Care Models Group
- Sibel Ozcelik, Acting Deputy Director, Division of Delivery System Demonstrations (DDSD)
- Aurelia Chaudhury, VBID Model Co-Lead
- Abigale Sanft, VBID Model Co-Lead
- Tzvetomir Gradevski, VBID-Hospice Benefit Component Lead
- Richard Coyle, Office of the Actuary (OACT) Lead for VBID-Hospice
- Megha Mirchandani, VBID Monitoring & Reporting Lead
- Sheila Hanley, Senior Advisor
- Jane Andrews, VBID Implementation Coordinator
- Julia Driessen, VBID Evaluation Lead

CY 2023 Application Process, Tips & Timeline

CY2023 Application Materials & Resources

The below materials are available for download via a [ZIP file](#) on the [Model webpage](#) and within the [Qualtrics application](#):

Material	Description
PDF of Application Questions	Template to aid MAOs in preparing applications
Supplemental Application Instructions	Helpful tips and application reminders
Financial Application FAQ Document	Additional clarifications to the actuarial requirements for MAOs submitting VBID Model applications
Required Application Summary Spreadsheet	All MAOs are required to fill out and submit via the Qualtrics application or directly to VBID@cms.hhs.gov an Excel file that includes the proposed VBID contracts, PBPs, plan types, SNP types (if applicable), enrollment projections that are applicable to each proposed Model Component
Required Net Savings Template	All applicants are required to fill out and submit via the Qualtrics application or directly to VBID@cms.hhs.gov an excel file that outlines the projected costs PMPM for Medicare with and without VBID interventions.
Required Financial Projections Template	All applicants are required to fill out and submit via the Qualtrics application or directly to VBID@cms.hhs.gov a PDF that outlines the projected costs for each VBID Model Component, as well as projected net savings to Medicare over the course of the Model
Part D Supplemental File	<i>ONLY</i> MAOs proposing to reduce cost-sharing for covered Part D drugs are required to fill out and submit via the Qualtrics application or to VBID@cms.hhs.gov .

Qualtrics Application



Introduction & Orientation

Thank you for your interest in applying to participate in the Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model for CY 2023. For CY 2023, CMS has streamlined the VBID Model application process to better align with the CY 2023 bid submission. Specifically, the questions in this application are similar to the questions your organization will need to complete in Health Plan Management System (HPMS) as part of the June 6, 2022 bid submission, if your organization is approved by CMS for participation in the Model.

Submission of VBID Financial Template

Applicants are also required to submit to CMS: (i) projected costs for each VBID Model Component included in their application and (ii) projected net savings to Medicare over the course of the Model. Please complete and upload as part of this application the CY 2023 VBID Model Financial Application Template and the CY 2023 VBID Model Net Savings Template by **11:59 PM PT on April 15, 2022**. You will be asked to upload the CY 2023 VBID Financial Application Template and CY 2023 VBID Model Net Savings Template toward the end of this application. You may also email your completed templates to VBID@cms.hhs.gov.

Submission of VBID Summary Template

Applicants are also required to submit to CMS the CY 2023 VBID Model Application Spreadsheet, which in conjunction with this survey, includes all contracts, plan benefit packages (PBPs), Model components, and interventions, and targeting and engagement estimates consistent with your Qualtrics application submission. Please complete and upload as part of this application the CY 2023 VBID Model Application Spreadsheet by **11:59 PM PT on April 15, 2022**. You may also email your completed template to VBID@cms.hhs.gov.

Applicants must be a representative, officer, chief executive officer, or general partner of the business organization that is applying to participate in this Model test, and authorized to submit this application on the organization's behalf.

The RFAs are located on the VBID Model webpage at the following link: <https://innovation.cms.gov/initiatives/vbid/>.

Additional information regarding the Hospice Benefit Component can be accessed at the following link: <https://innovation.cms.gov/innovation-models/vbid-hospice-benefit-overview>.

This application, including all files requested in this application must be submitted by **11:59 PM PT on April 15, 2022**.



PDF of Application Questions

1 Introduction and Orientation

NOTE: This document should only be used for reference purposes. All applicants must fill out and submit their application in Qualtrics. Additionally, some embedded links may only be available on Qualtrics.

Thank you for your interest in applying to participate in the Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model for CY 2023. For CY 2023, CMS has streamlined the VBID Model application process to better align with the CY 2023 bid submission. Specifically, the questions in this application are similar to the questions your organization will need to complete in Health Plan Management System (HPMS) as part of the June 6, 2022 bid submission, if your organization is approved by CMS for participation in the Model.

Please note that application questions in Qualtrics are generated based on the different VBID Model Components that you select to implement in the application. Thus, in Qualtrics, you will only see questions for Model Components that you choose for your application.

Submission of VBID Financial Template

Applicants are also required to submit to CMS: (i) projected costs for each VBID Model Component included in their application and (ii) projected net savings to Medicare over the course of the Model. Please complete and upload as part of this application the CY 2023 VBID Model Financial Application Template and the CY 2023 VBID Model Net Savings Template by **11:59 PM PT on April 15, 2022**. You will be asked to upload the CY 2023 VBID Financial Application Template and CY 2023 VBID Model Net Savings Template toward the end of this application. You may also email your completed templates to VBID@cms.hhs.gov.

Submission of VBID Summary Template

Applicants are also required to submit to CMS the CY 2023 VBID Model Application Spreadsheet, which in conjunction with this survey, includes all contracts, plan benefit packages (PBPs), Model components, and interventions, and targeting and engagement estimates consistent with your Qualtrics application submission. Please complete and upload as part of this application the CY 2023 VBID Model Application Spreadsheet by **11:59 PM PT on April 15, 2022**. You may also email your completed template to VBID@cms.hhs.gov.

Applicants must be a representative, officer, chief executive officer, or general partner of the business organization that is applying to participate in this Model test, and authorized to submit this application on the organization's behalf.

The RFAs are located on the VBID Model webpage at the following link:
<https://innovation.cms.gov/initiatives/vbid/>.

Additional information regarding the Hospice Benefit Component can be accessed at the following link:
<https://innovation.cms.gov/innovation-models/vbid-hospice-benefit-overview>.

This application, including all files requested in this application must be submitted by **11:59 PM PT on April 15, 2022**.

Supplemental Application Instructions

Calendar Year (CY) 2023 Value-Based Insurance Design (VBID) Model Supplemental Application Instructions

Introduction

For CY 2023, CMS has streamlined the VBID Model application process to better align with the CY 2023 bid submission. Specifically, the questions in the Application are similar to the questions your organization will need to complete in Health Plan Management System (HPMS) as part of the June 6, 2022 bid submission, if your organization is approved by CMS for participation in the Model. This document is intended to help VBID Model applicants in completing and submitting an application to participate in the VBID Model for CY 2023.

Please note that applications must be completed and submitted no later than April 15, 2022, 11:59 PM PT.

CY 2023 VBID Model and its Hospice Benefit Component Requests for Applications

The materials below should be consulted in completing an Application. Please review the following two request for applications (RFAs) before you start the Application:

- CY 2023 VBID Model Request for Applications (available at <https://innovation.cms.gov/innovation-models/vbid>)
- CY 2023 VBID Hospice Benefit Component RFA (available at <https://innovation.cms.gov/innovation-models/vbid>)

Submission Requirements

One Application submission per Parent Organization

- Each applicant must complete a single CY 2023 VBID Model Application (Application), which can be accessed via the VBID Model Webpage.

The Application includes all VBID Model Components (including the Hospice Benefit Component)

- The Application is inclusive of all of the VBID Model Components. Therefore, applicants applying for the Hospice Benefit Component of Model, should review the VBID Hospice Benefit Component RFA in addition to the VBID RFA, in completing the Application.

VBID Model Application Spreadsheet

- All applicants are required to fill out and submit an Excel file that includes the proposed VBID contracts, Plan Benefit Packages (PBPs), plan types, Special Needs Plan types (if applicable), that are applicable to each proposed Model Component. The “CY 2023 VBID Model Application Spreadsheet” is available as a downloadable Excel file within the Application. Once you have completed the Application and filled out the Excel spreadsheet, you may either upload the file within the application portal, or email the attachment to the ybid@cms.hhs.gov.
- Specific instructions for completing the VBID Model Applications spreadsheet and an example are included in the excel file.

Financial Application FAQs

Calendar Year (CY) 2023 Value-Based Insurance Design (VBID) Model Frequently Asked Questions (FAQs) on Pricing and Financial Application Requirements

Overview: The CY 2023 Request for Applications (RFA) to participate in the VBID Model is available on the VBID Model Webpage at: <https://innovation.cms.gov/innovation-models/vbid>. CMS is providing this accompanying FAQ document to provide additional clarifications to the actuarial requirements for Medicare Advantage Organizations (MAOs) interested in applying to participate in the VBID Model that are outlined in the CY 2023 RFA. If you have additional questions about the pricing and financial application requirements after reviewing this FAQ document, please contact the VBID Model Team at VBID@cms.hhs.gov.

Q. To what extent must an actuary be involved in the preparation of application materials for the VBID Model?

A. Per section 3.4.1 of the CY 2023 VBID Model RFA, MAOs seeking to participate in the VBID Model must provide as part of their application “projections of the impact that their participation will have, for CY 2023, on plan medical and prescription drug utilization, cost, and premiums.” These projections are expected to be prepared by, or have the preparation directed by, a qualified actuary who is a member of the American Academy of Actuaries (MAAA). This portion of the application is considered to be an Actuarial Communication in accordance with Actuarial Standard of Practice (ASOP) Number 41. Thus, the actuary must be clearly identified in the submission of application materials.

Q. With respect to the projections required as part of the application related to medical and prescription drug utilization, cost, and premiums, what are MAOs expected to show?

A. As noted under section 3.4.1 of the CY 2023 RFA, the projections are expected to “show net savings to CMS over the course of the MAO’s participation in the Model and no net increase in enrollee cost over the life of the Model.” It may be sufficient for the actuary to demonstrate that the pricing assumptions being applied for the contract year will lead to reductions in CMS payments, with similar assumptions in future Model years (as opposed to a longitudinal projection). The decision of whether to model a single year and assume similar directional changes in future years or to prepare a longitudinal projection is left to the discretion of the actuary.

For CY 2023, CMS has provided a *required* “Net Savings Template,” which documents the various revenue streams projected as part of MA and Part D (PD) bidding, including MA payments, Part D direct subsidy payments, low-income cost sharing subsidies (LICS), and Part D Federal Reinsurance. MAOs are expected to show a reduction in CMS payment in total across these streams. As noted above, these reductions can be shown in a single year with expectations for similar reductions in future years, or with a longitudinal projection over the participation period. The template has been provided to aid in the preparation of these materials; the underlying assumptions used to develop the estimates included in completed templates should be well-documented. Where possible, specific Bid Pricing Tool (BPT) line items should be identified.

Q. Do projections need to be provided separately for each Model component?

A. MAOs must demonstrate net savings to CMS; MAOs may demonstrate this in aggregate across all Model components *or* separately for each Model component. Additionally, net savings to CMS may be over the course of participation in the Model performance period or during the applicable calendar year of participation. To the extent that aggregate projections are developed from component-level cost and savings projections, they should be well-documented and the component-level cost and saving projections shown.

Required Financial Application Template

INSTRUCTIONS

CMS has provided the below form for applicants to outline their specific Model proposals.

- i. **Executive Summary:** a summary in financial and actuarial terms of the Model strategy and expected PMPM changes. This should include any changes to an existing program if the MAO is currently participating in the Model;
- ii. **Summary of Projected Costs by each VBID Model Component:** a projected utilization, unit or PMPM costs and NBE costs together with an indication of what experience base, etc., was relied on in setting the assumption. Through the VBID Model Application Spreadsheet, CMS will collect a projection of the member months eligible for each component and/or targeted population and estimates of those that will participate or otherwise be engaged, if applicable;
- iii. **Summary of Projected Savings over the Course of the Model (including the *required* CY2023 VBID Net Savings Template Excel workbook, separate file);**
- iv. **Additional Quantitative Support (as needed, including past performance if returning MAO); and**
- v. **Changes to Pricing (e.g., projected increase to risk scores, bid pricing tool changes).**

The purpose for requesting the above supporting documentation is to assist CMS in assessing the reasonability of the pricing assumptions intended to be used when providing VBID benefits under this Model. Additionally, the supporting documentation should describe how the proposed VBID Model Components may be expected to meet the Model's financial goals of net savings to Medicare expenditures without any net increase in costs for plan enrollees attributable to the VBID elements over the life of the Model.

Required Net Savings Template

Net Savings Template						
1. Contract Number:				HXXXX		
2. Plan ID:				000		
3. Segment ID:				00		
4. Calendar Year:				2023		
Medicare Payments (PMPM)*						
	Description	Worksheet	Cell	Without VBID	With VBID	Difference
+	Plan A/B Bid	MA 5	E18			\$0.00
-	Basic MA premium	MA 6	R29			\$0.00
+	Part C Rebates Allocated to Reduce A/B Cost Sharing	MA 6	L25			\$0.00
+	Part C Rebates Allocated to Other A/B Mandatory Supplemental Benefits	MA 6	L26			\$0.00
+	Part C Rebates Allocated to Part B Premium Buydown	MA 6	L27			\$0.00
+	Part C Rebates Allocated to Part D Basic Premium Buydown	MA 6	L28			\$0.00
+	Part C Rebates Allocated to Part D Supplemental Premium Buydown	MA 6	L29			\$0.00
+	Total Basic Bid	PD 5	D19			\$0.00
-	Basic Part D Premium	PD 7	F21			\$0.00
+	Prospective federal reinsurance	PD 7	F27			\$0.00
+	Prospective low-income cost sharing subsidy	PD 7	F28			\$0.00
	Total Medicare Payments			\$0.00	\$0.00	\$0.00
* The line items included in this template are taken from the MA and PD BPTs. Estimates of pre- and post-VBID prospective Medicare payments are not required to be developed from BPTs.						

Required Application Summary Spreadsheet

As part of applying to participate in the VBID Model, please complete ALL columns in this spreadsheet for each unique PBP-Model Component-Intervention combination and submit to the Qualtrics application and/or email the spreadsheet to VBID@CMS.HHS.GOV

Contract (5 alphanumeric characters)	PBP (3 digits)	Segment (Enter 1-9, or 0 if non-segmented)	Plan Type (Choose from drop-down)	SNP Type (Choose from drop-down)	Model Component (Choose from drop-down)	Intervention (Corresponds to application - see instructions on previous tab)	January 2022 Month's Enrollment	January 2023 Projected Enrollment	Expected Enrollees in the PBP to be Targeted for this Intervention in 2023	Expected Enrollees in the PBP to Receive Intervention in 2023

Part D Supplemental File

FID	CONTRACT NUMBER	PLAN NUMBER	RXCU I	RXNORM DESCRIPTION	VBID PACKAGES

Summary: Tips for a Seamless Application Submission

- **Find all resources on the VBID Model website:** <https://innovation.cms.gov/initiatives/vbid>, including the Request for Applications, Application link, and materials.
- **Submit ONE application per Parent Organization:** Each MAO needs to complete one application inclusive of all the Model Components, contracts, and PBPs that they to are proposing to include in the VBID Model.
- **Review the Qualtrics application tips:** Toward the beginning of the Application, you will be asked to select the various Model Components that you propose to implement in CY 2023. These selections will dictate the questions that appear throughout the rest of the Application, so please be sure to select all Model Components that are applicable to your proposed VBID program. Information that you type into the Application is saved automatically.
- **Please reach out to the VBID team with questions:** CMS is available for meetings throughout the application process. To request a meeting with the VBID Model Team, please email VBID@cms.hhs.gov. To aid in expedited scheduling, please provide requested times.

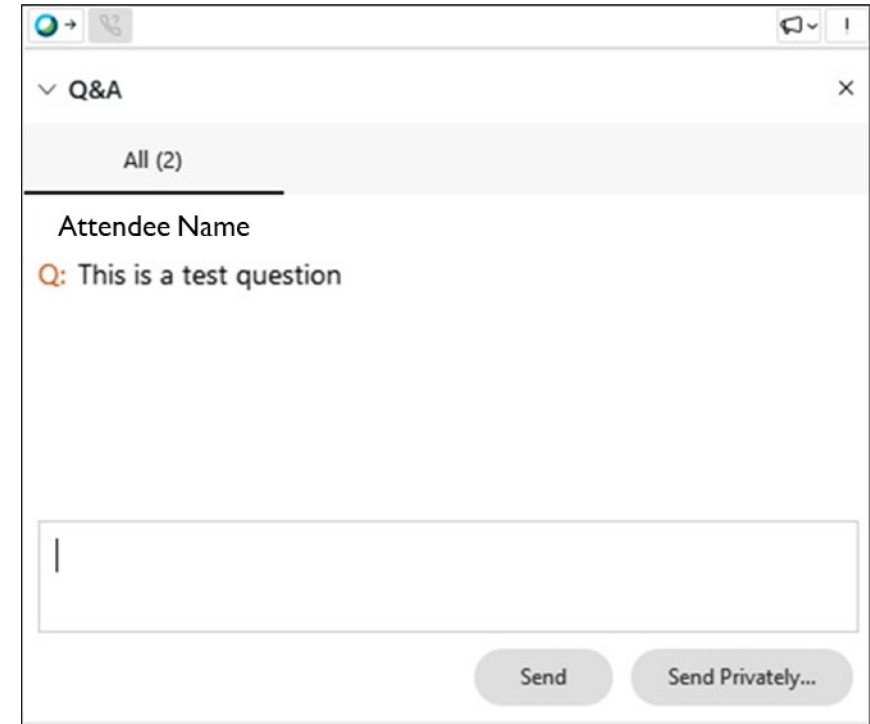
Next Steps for MAOs

- 1 Reach out to CMS for technical assistance prior to bid submission on April 15 at VBID@cms.hhs.gov
- 2 Review release of hospice-specific county-level rate book in **mid-April 2022**
- 3 Submit your [application via the Qualtrics Portal](#) to CMS by 11:59 PM PT on **April 15, 2022**
- 4 Receive provisional approval in **Mid-May 2022**
- 5 Submit MA Bids, due 11:59 PM PT on **June 6, 2022**
- 6 Execute contract addenda for Model participation in **September 2022**

Question and Answer Session

How to Submit Questions

- Questions can be submitted through the WebEx Q&A panel.
 - Select “Q&A” followed by “All Panelists.”
- The VBID Model Team will review submitted questions and provide answers. Some questions may require additional research, and a reply will be shared via email.



The screenshot shows a WebEx Q&A panel window. At the top, there is a title bar with a close button (X) and a dropdown arrow. Below the title bar, the text "Q&A" is displayed. Underneath, there is a section labeled "All (2)". The main area of the panel contains a text input field with the placeholder text "Attendee Name". Below the input field, there is a question icon (Q) followed by the text "This is a test question". At the bottom of the panel, there is a large text input field for the user's response. To the right of this input field are two buttons: "Send" and "Send Privately...".

Thank you for joining us.

**Please email us with any questions at:
VBID@cms.hhs.gov**