

Application Office Hours Webinar Transcript

Tuesday, April 5, 2022

Martina Gill:

Thank you for joining the webinar. At this time, I'm going to pass it over to Sibel Ozcelik. [00:00:11]

Sibel Ozcelik:

Thanks so much, Martina. Hello and thank you for joining us today for our Office Hours session on the Calendar Year 2023 Value-Based Insurance Design, or VBID Model. My name is Sibel Ozcelik and I am the Acting Deputy Director for the Division of Delivery System Demonstrations. [00:00:30]

Before digging in, I wanted to put out a disclaimer that our goal here today is for educational purposes and general information sharing as noted on this slide. Also, we'll be posting slides and a record on the VBID model website in the next two weeks. [00:00:51]

Today, our team will start off with a quick overview of the application process, some tips, and a timeline, but we'll use the bulk of our time today that we have together to answer your questions during our interactive Q and A session. [00:01:08]

Before diving in, I wanted to introduce those on the line with our incredible team here. We're joined by Laurie McWright, the Deputy Director of the Seamless Care Models Group. Aurelia Chaudhury and Abigale Sanft, our new VBID Model co-leads. Tzvetomir Gradevski, our VBID Hospice Benefit Component lead. Richard Coyle, our Office of the Actuary lead for our VBID Hospice Benefit Component. Megha Mirchandani, our VBID Monitoring and Reporting lead. Sheila Hanley, our incredible Senior Advisor. Jane Andrews, our VBID Implementation Coordinator. And Julia Driessen, our VBID Evaluation lead. [00:01:51]

With that, I want to turn it over to Abigale to walk through the application process tips and timelines. Thank you. [00:02:01]

Abigale Sanft:

Thanks Sibel. [00:02:05]

Here to aid in your submissions, we've outlined a number of CY2023 Application Materials and Resources at a high level. The materials in this slide are available for download in a zip file of application materials on the [VBID Model webpage](#), and also within the Qualtrics Application which is also linked on the [VBID Model webpage](#). This slide is meant to be a "cheat sheet" of sorts to help your organization understand the application materials and available resources and their purposes. Now we'll go through each of these materials in a bit more detail. [00:02:46]

Here you'll see a screenshot of the online Qualtrics Application, where you'll do your actual application submission. The online tool gives an introduction to the application and provides opportunities to respond to required questions about your organization and associated proposals for Model interventions. You can navigate through the survey using the back and forward arrows at the bottom of the page. We've also received a number of questions about exception requests and wanted to confirm that exception requests may be submitted for CMMI review via the online Qualtrics Application. [00:03:22]

Of note, only questions about Model components that are selected at the start of the application will be displayed to you as you navigate through the survey. [00:03:36]

On this slide, we have a screenshot of our PDF of the Qualtrics Application which contains all of the questions that are asked in that online application. This item is for your reference, and also responses to these questions need to be provided via the online Qualtrics portal. [00:03:59]

Here we have an image of our Supplemental Application Instructions, which are designed to be a roadmap of your submission requirements. Here there are reminders of the application materials that are required, and where to access all the reference materials, which are all also available on the [VBID Model website](#). [00:04:23]

On this slide, you'll find our Financial Application FAQ document, and this is an important resource in how to price and reflect the cost and savings of your VBID Model intervention, not only within the Financial Application and the Net Savings Template but also in your bid submission if your VBID interventions are approved. [00:04:50]

The discussion of the Financial Application FAQ brings us right into our next item, which is the Required Financial Application Template. Here you'll be asked to outline the projected costs and savings of your VBID Model intervention throughout the course of the model, and any quantitative support and changes to pricing as a result of VBID Model participation. [00:05:15]

The financial application also goes really nicely into a discussion of our Net Savings Template, which requires, at the plan level, the Medicare payments, per member per month, with your VBID Model interventions included in your expected payments that would be in the absence of the Model. So we have that without VBID and with the VBID columns. [00:05:40]

Here's another required submission, which is the Application Summary Spreadsheet. You'll submit this either with your Qualtrics Application or via email to the VBID Model Team at VBID@cms.hhs.gov. Here, you'll outline the contracts, PBPs, and segments where you have proposed to include a VBID Model intervention or interventions along with some information about enrollment, and expected targeting and engagement for that intervention. [00:06:11]

And finally, to round out our application materials, we have the Part D Supplemental File. This file is required only for those Medicare Advantage Part D(MA-PDs) that are proposing to reduce or eliminate cost sharing in a way that is not consistent across all Part D drugs or specific formulary tiers. For example, an organization that's interested in reducing cost sharing on tiers 1 through 3 does not need to submit a Supplemental File. But, an organization interested in reducing cost sharing for drugs that treat diabetes would need to submit this file. [00:06:45]

If there are any questions about whether your proposal requires a Part D Supplemental File, please do not hesitate to reach out to the VBID Model Team. [00:06:58]

We also have a few tips on how to put together a seamless application submission. First, you can, as we had mentioned, find all of the relevant materials on the [VBID Model webpage](#), including requests for applications, the link to the Qualtrics Application, and the additional application materials. Your organization should submit a single application per parent organization, including all contracts, PBPs, and segments, and model components that you are proposing to implement under the Model. [00:07:37]

With respect to the Qualtrics Application, for the beginning of your application, you'll be asked to select the model components that you are proposing to implement for CY2023, which will impact the questions that are displayed to you throughout the application, so then please make sure that the correct model components are selected. [00:07:54]

The last thing that I'll mention here is that CMS is available to help support your application development and submission. Please reach out to the VBID Model Team - again, VBID@cms.hhs.gov - with any questions or if it would be helpful to schedule a meeting to discuss your application. [00:08:19]

And then as far as next steps for interested MAOs, first, if you have any questions or technical assistance needs as you're thinking through your VBID interventions and developing your application, the VBID team is very happy to support, and please reach out to us with those requests. Second, the Hospice-specific County-level Rate Book will be released in mid-April 2022, and we encourage MAOs interested in participating in the hospice benefit component to review that document. [00:08:56]

Third, MAO applicants will submit their applications to CMS via the Qualtrics Application Portal by April 15, 2022. In terms of steps after application submission, fourth, CMMI plans to provide notification for MAOs with provisionally-approved interventions for model participation in mid- to late May of this year, and those provisionally-approved MAOs may include their VBID interventions in their MA bids, which are due on June 6, 2022, as noted here in step five. [00:09:28]

And step six, for organizations that are granted final approval for the model for CY2023, those MAOs will execute Contract Addenda for CY2023 participation in the VBID Model in September 2022. [00:09:48]

With that, we'll turn to the question and answer portion of today's session. Please be sure to submit your questions to the Q and A box, and make sure to select all panelists so that all presenters can see your questions. Now I'll turn things over to Laurie to start our Q and A session.

Laurie McWright:

All right. Thank you. So we received a lot of questions ahead of time, and so to get us started today, I thought it would be good to go ahead and address the questions that we've received over time and then we'll be monitoring the chat box and pulling off questions from there as well. We've gone ahead and batched the questions by topic to make sure that folks are able to understand the questions and answers that we received for everyone's benefit. [00:11:26]

Okay. So let's get started. The first topic we're going to cover is just sort of general administration questions, and I'm going to ask Aurelia Chaudhury to take this batch. So Aurelia, let's go ahead and get started. When will the slide deck presentation and recording of the webinar be available? [00:11:50]

Aurelia Chaudhury:

We'll be posting the slides, the transcript, and the recording of the presentation to the VBID Model website, innovations.cms.gov/innovation-model-vbid, which I'm sure you all are very familiar with by now, and we'll be doing that as soon as we can after the conclusion of this presentation. [00:12:08]

LM:

Great, thank you. Is this presentation being recorded so I can access it later? [00:12:14]

AC:

Yes. The presentation is being recorded, and you'll be able to access that recording on our [website](#). [00:12:21]

LM:

Great. Will you be providing the required questions and documents that are needed for the application prior to going into the online application process? This would be beneficial to understand all that is required in greater detail so that we can determine the time it will take to complete the application. [00:12:43]

AC:

Yes. On the [VBID Model webpage](#), under the category, “2023 Materials,” is a category called, “Additional Application Materials,” and that’s where you’ll find those resources. So if you’re interested in going through the questions to see everything that’s on the application itself, you can find that in the additional VBID Model Application Materials zip file. [00:13:06]

LM:

Great. Okay, thank you. Will the VBID team be releasing any technical details? [00:13:13]

AC:

Yes. We’ll be releasing in the next week or so technical guidance for Model participants regarding the Hospice Benefit Component, including additional technical and policy guidance for the Network Adequacy Requirements and the final 2023 Hospice Capitation Payment Rate Actuarial Methodology paper. We’ll also be releasing subsequently the data books related to the Hospice Capitation Rate Calculation and Data Books for the non-hospice components as well, and we’ll be releasing updated Monitoring Guidelines for 2023. [00:13:49]

LM:

Excellent, thank you. Can a Medicare Advantage organization participate with only one of its plans in VBID, and a follow-up would be, can the plan be a Special Needs Plan? [00:14:02]

AC:

Yes. All Special Needs Plans, including CSNIPs, DSNIPs, or ISNIPs are allowed to apply to the VBID Model. The model is open to participation for MAOs at the individual Plan Benefit Package or PBP level, and MAOs can propose one or multiple MA or MA-PD contracts or plans for participation. [00:14:24]

LM:

Thank you. Is a health plan committed carrying out a VBID proposal once it is approved? In the event that a health plan is unable to operationalize its proposal, is there a process for canceling the VBID program? [00:14:41]

AC:

As we state in the 2023 RFA, MAOs seeking to withdraw either an entire application or seeking to modify a pending or preliminarily-approved application should submit a written request on the MAO’s letterhead that is signed by the primary Point of Contact named in the application submission. To submit a withdrawal request, MAOs must send the request in PDF format by email to the VBID model email address at VBID@cms.hhs.gov. [00:15:11]

LM:

Thank you. What is the Qualtrics Application? Is that in reference to a specific software, or the Calendar Year 2022 Application Material? [00:15:25]

AC:

So the Qualtrics Application is a reference to the survey platform being used, but the Qualtrics Application and associated reference template is where you’ll go to find the actual list of 2023 VBID Model application questions that relate to each Model component. So on the [VBID Model webpage](#) that we’ve described above, you will be find the VBID Model Applications Material zip file, and you’ll find a link to the CMS Qualtrics platform where you actually submit your answers to these questions. [00:15:55]

LM:

Okay, great. Will Medicare Advantage organizations with a parent organization, with multiple MAOs across the country, be required to submit just one application? [00:16:09]

AC:

Yes. Your organization should submit a single application per parent organization, including all contract PBPs and segments and Model components that you're proposing to offer in the Model. [00:16:22]

LM:

Okay, Aurelia. Thank you so much. Now I'm going to turn to Shelia Hanley, and she's going to take on a couple of questions about the differences between Medicare Advantage and the VBID Model. Sheila, can you talk about the advantages to a health plan participating in the VBID Model versus simply creating additional benefits as a part of their plan in the MA program? [00:16:49]

Sheila Hanley:

Sure. The VBID Model offers the option of tailoring some benefits in a way that the MA program does not. For example, MA plans may not use Social Determinants of Health as the sole basis for determining benefits eligibility, whereas plans participating in the VBID Model are allowed to do so. As an example, in the VBID Model, MAOs are permitted to target enrollees with Low-Income Subsidy status (LIS) which is not permitted in the MA program. We also recommend referring to the Health Equity Business Case and Incubation Program Overview slides from the December 2, 2021 webinar that explains many advantages for MAOs to participate in the VBID Model. [00:17:39]

These slides and a recording of the webinar are found at the [VBID website](#) under the CY2023 Webinars and Recording title. [00:17:55]

LM:

Thank you. Is there a document that you can provide that outlines or summarizes the differences in the requirements for VBID, uniformity, flexibility, and the SSBCI (Supplemental Benefits for the Chronically Ill)? [00:18:08]

SH:

Yes, there is. Slide 14 from the RFA webinar on March 10 indicates the differences and can be found in the slide deck that's posted on the [VBID Model webpage](#). [00:18:22]

LM:

Excellent. We're going to turn now to Megha Mirchandani, and she's going to answer a couple of questions about plan targeting. So Megha, can Enhanced Alternative Plans target Low-Income Subsidy-only members, or does it have to be a Defined Standard (DS) plan? [00:18:48]

Megha Mirchandani:

Enhanced Alternative Plans can target beneficiaries for VBID Model benefits, including Part D flexibility based on LIS status as well. Although actuarially equivalent and basic alternative plans will not be permitted to offer reduction or elimination of cost sharing targeted to LIS beneficiaries. However, if the MA-PD is a defined standard plan and is reducing or eliminating the LIS enrollee portion of cost sharing, that is, low-income copay for the Part D drugs, the expected value of the low-income copay must be reflected as a direct administrative cost in the Bid Pricing Tool, BPT. [00:19:36]

As a note, Defined Standard plans will not be permitted to offer the reduction or elimination of cost sharing targeted based on chronic health conditions. For more information about cost sharing reductions for various Part D benefit types can be found in the calendar year 2023 RFA. [00:19:59]

LM:

Thank you, Megha. Can VBID be limited to just a few selected counties within a Plan Benefit Package, or does it need to be available for everyone in a Plan Benefit Package that qualifies? [00:20:15]

MM:

The answer depends on which component an MAO is offering. As explained on page 28 of the RFA, MAOs may vary Model benefits and Model Part C RI (Rewards and Incentives) programs by segment, county-level portions of a plan service area. So, as long as the supplemental benefits, premium, and cost sharing are uniform within each segment of an MA plan service area, it should be okay. However, this does not apply to model components related to Part D benefits or the Hospice Benefit Component, which must be similarly provided across all segments within a PBP. [00:20:55]

LM:

Thank you. The flexibility allows us to use a Social Determinant of Health as one of the requirements, but not the only requirement. Am I getting that correct? [00:21:09]

MM:

That's correct. VBID Model participants can target beneficiaries for VBID Model benefits based on socioeconomic status. That is, LIS or dual eligible status, chronic health conditions, or a combination of both. [00:21:24]

LM:

Thank you. Can an MAO target by use of high-value providers alone? [00:21:30]

MM:

No. An MAO cannot target enrollees exclusively based on use of high-value providers. Targeting enrollees under the model is only by chronic conditions, LIS status, or both. Having said that, it is permissible to condition a VBID benefit based on the VBID enrollee receiving services from a high-value provider. [00:21:53]

LM:

Thank you. Last one for you, Megha, on this topic: Can an MAO target by financial hardship? [00:22:03]

MM:

No. An MAO cannot target enrollees to receive benefits based on financial hardship of the enrollee. [00:22:13]

LM:

They can target by Low-Income Subsidy, but that's different than financial hardship. All right. We're going to turn back to Sheila to talk about some of the VBID flexibility. Sheila, can the VBID Model cover reduced cost sharing for labs, or does it cover cost sharing reduction only for Part D drugs? [00:22:37]

SH:

Yes. The VBID Model can cover reduced cost sharing for laboratory tests as a primary health-related benefit. And on page 15 of the 2023 VBID Model RFA, it states, "Primarily health-related items or services must diagnose, prevent, or treat an illness or injury, compensate for physical impairments, act to ameliorate the functional or psychological impact of injuries or health conditions, or reduce avoidable emergency and healthcare utilization." Additionally, as is on page 16 of the RFA, participating MAOs have broad flexibility to choose which items or services are eligible for cost-sharing reductions, including

for a high-value services and services offered by high-value providers. [00:23:33]

However, these items or services must be clearly identified and defined in the application and in advance to the eligible target population. [00:23:46]

LM:

Thank you. Where does pest control fall? VBID or SSBCI? [00:23:56]

SH:

Pest control could potentially be offered under either the VBID Model or under SSBCI as a non-primarily health-related benefit, depending on the exact criteria that the MAO is proposing to use to define the population that will receive the benefit. However, if the MAO wishes to target the receipt of pest control to those with a chronic condition that does not meet the statutory definition of chronically ill used by SSBCI, or to those with LIS status, or both, then the pest control could only be offered under VBID and would not be permitted under SSBCI with such targeting. [00:24:45]

LM:

Thank you. For reduced cost sharing on Part D drugs, do we need to submit the RxCUI-level file if we provide the reduced cost sharing for all drugs on each tier? [00:25:01]

SH:

The Part D Supplemental File is required for MAOs that propose to offer reduced or eliminated cost sharing on certain drugs. MAOs proposing to offer reduced or eliminated cost sharing across drugs on specific formulary tiers or across all Part D drugs do not need to submit a Part D Supplemental File. But those offering reduced or limited cost sharing on select drugs will be required to submit the Part D Supplemental File. [00:25:37]

LM:

Thank you so much. So now we're going to turn to Jane Andrews, who's going to answer some questions on our Wellness and Healthcare Planning component. Jane, what would be included in the Wellness and Healthcare Planning component? Is this something tangible, or is it a health survey, for example? [00:25:57]

Jane Andrews:

Yeah, thanks, Laurie. So the Wellness and Healthcare Planning, or WHP, component focuses on improving access to discussions regarding their preferences for the kind of care they would like to receive in the event they are not able to direct their own care decisions and to the documentation of these discussions so they may guide future care when needed. WHP builds on existing requirements for every MAO regarding the obligation to maintain written policies concerning advanced directives for all adult enrollees. [00:26:32]

Organizations participating in the VBID Model must also implement and report on a WHP strategy, including Advanced Care Planning or ACP, that reaches all enrollees in all of the PBPs included in the Model, not just those members targeted for VBID, and not just in select PBPs. [00:26:55]

Examples of broader strategies for WHP include infrastructure investments around WHP like digital platforms to support ACPs, provider initiatives around WHP education, and member-focused initiatives like broad communication outreach and education opportunities, and enrollee rewards and/or provider incentives. Additionally, MAOs participating in the Model may also have a targeted strategy to identify and reach specific enrollee populations to receive WHP, provided that a targeted strategy is combined with a strategy for all enrollees and all PBPs that participate in the model. [00:27:39]

LM:

Thank you. So for some plans, advanced care planning is already required as a part of a third-party contract. Would plans list out the details of what Medicaid is already requiring on advanced care planning? [00:27:58]

JA:

Yeah, that's a really good question. So as part of the WHP VBID Model component, applicants are expected to describe their organization's strategy to promote Advanced Care Planning, completion of both current program requirements regarding ACP, and may also further the delivery of ACP services and completion beyond these requirements. [00:28:24]

LM:

Excellent. So your last question in this section, am I required to do wellness planning for WHP if only offering the Hospice Benefit? [00:28:39]

JA:

Yeah, another great question. So, the answer is yes. WHP is a required component for all Model participants. If your organization is only participating in the Hospice Benefit component, you must also implement the WHP component. The WHP component is closely aligned with and supports the goals of the Hospice Benefit component by promoting Advanced Care Planning and systematically understanding patient wishes in the context of palliative care, transitional concurrent care, and hospice care options. [00:29:14]

LM:

Excellent. Thank you so much, Jane. Okay, now we're going to turn the category of Rewards and Incentives. Aurelia, I'm going to ask you if you wouldn't mind answering a couple of questions. The calendar year 2023 appears to remove Cash or Monetary Rebates from being available. What about gift cards that are provided as a Reward and Incentive? Can you clarify if gift cards are still allowed under the model in the form of Part C or Part D RI? [00:29:53]

AC:

Thanks for that question, Laurie. So, it is correct as to the first part of the question, the Cash or Monetary Rebates component of the VBID Model will not be available in CY2023. Second, with respect to gift cards that are offered as part of the RI program, as stated in the in the 2023 RFA, MAOs approved to offer RI programs must not provide RI in the form of cash, cash equivalents, or other monetary rebates. We encourage MAOs to review recent HHS (US Department of Health and Human Services) guidance regarding the definition of the phrase, "Cash equivalents," including the 2022 Policy and Technical Changes Final Rule available at 86 FR 5864, which specifies, in part, that while gas cards and restaurant gift cards are not considered cash equivalents, general-purpose debit cards or Visa or Amazon gift cards can be considered cash equivalents. [00:30:54]

The topic of cash equivalents is also covered under the Medicare and State Healthcare Program's Fraud and Abuse Final Rule available at 85 FR 77684, which includes the guidance that gift cards that can only be redeemed for certain categories of items, such as fuel-only gift cards, may not be cash equivalents, but that gift cards offered by large retailers or online vendors that sell a wide variety of items, such as big box stores, may be cash equivalents. So we encourage you to review this guidance in designing your RI program to ensure it's compliant, and we encourage to reach out to us if you have any questions about the issue. [00:31:36]

LM:

Thank you very much. Can you provide further explanation of the Rewards and Incentives limits for VBID versus non-VBID? [00:31:52]

AC:

Under the MA program, there's not a specific monetary limit on the value of the RI that can be provided. But the value of the RI must reflect the cost of the health-related activity, and not the expected benefit. In contrast, under the VBID model, the RI limit for intervention is tied to the value of the expected impact on enrollee behavior, or the expected benefit of the intervention. [00:32:19]

LM:

So thank you, Aurelia. So for example, if a plan offered a Reward and Incentive for an annual wellness visit with a provider payment of \$100 and zero member copay, is the reward and incentive limited based on the \$100, the zero, or something else? [00:32:39]

AC:

So under the VBID model, the reward limit is tied to the value that's provided by the healthcare activity that is being incentivized. And so it's up to the plan to articulate what the value of that annual wellness visit would be and to use that benefit to justify any RI provided. [00:32:58]

LM:

Excellent. Now we're going to turn to the Hospice Benefit Component, and I would of course turn to Tzvetomir Gradevski to help us on these questions. Tzvetomir, first one. How will a Medicare Advantage organization know what the minimum number of hospice providers is for their geography? [00:33:22]

Tzvetomir Gradevski:

Thanks, Laurie. So as we described in the 2023 RFA for the Hospice Benefit Component, CMS has adopted a phase-in approach for Medicare Advantage organizations to develop and meet network adequacy standards for hospice providers using a phase-in approach where, quote, "Mature-year PBPs will be required to create and maintain networks providers based Models specific requirements. [00:33:44]

CMS will release data books with the MAO-specific minimum number of providers or MNP for each county in May to the model applications. Once we have executed contracts in September and have announced all participants, we will also release the MNP data books to the public as well. [00:34:02]

LM:

Excellent. The calendar year 2023 RFA for the Hospice Benefit Component indicates that participating Medicare Advantage organizations with mature-year plan benefit packages must submit their provider networks to CMS sometime this summer in order to demonstrate that they meet the network adequacy requirements. I take this to mean that we should expect that plan benefit packages with experience in the model to be establishing contracts with hospices this spring/summer for calendar year 2023. [00:34:44]

Is that correct? And should we expect that plan benefit packages without Model experience to be contracting during this timeframe as well? [00:34:54]

TG:

So, CMS expects the participating MAOs with experience in the Model to have networks in place already if they have participated in 2021 or 2022, and to continue strengthening their networks to meet the qualitative and quantitative network adequacy requirements for 2023. For some of the participating MAOs, this may mean establishing additional contracts, but others may already meet the MNP

requirement with their sustained networks. [00:35:18]

In general, CMS will review all networks of mature-year PBPs this summer, 2022. [00:35:25]

LM:

Excellent. Thank you. How can Medicare Advantage Organizations assist providers to find out when an MA plan with the Hospice Benefit Component has come to a country or an area? In this question, as example, are in Maricopa County, Arizona. [00:35:47]

TG:

So, every year, CMS conducts outreach to hospice providers to inform them of upcoming changes and participations in the Hospice Benefit Component, and CMS also strongly encourages the participating MAOs to also reach out to local providers in their service areas to provide more information on the MAOs' participation in the hospice benefit component, such as details on how to submit timely claims and any other important information. [00:36:11]

CMS also publishes a spreadsheet containing the contact information of key individuals with the following calendar year's participants in the Hospice Benefit Component. And we highly encourage the participating MAOs to provide CMS with any updates to this contact information. And the list of the MAOs and their contact information can be found on the Hospice Benefit Component's website at the [VBID Model website](#). [00:36:39]

LM:

Great. Thank you. Have you made any updates to the Hospice Benefit Component to address health equity? [00:36:49]

TG:

So, yes. I think specific to only the Hospice Benefit Component is incorporating a requirement around the Health Equity Plan. This includes describing a detailed strategy for advancing health equity, and the strategy must include but is not limited to identifying, addressing, and monitoring any potential inequities and access outcomes for experience of care as it relates to a participating MAO's palliative care strategies and their coverage and coordination of the Medicare Hospice Benefit. [00:37:15]

LM:

Thank you so much, Tzvetomir. So now we're going to turn to another question on health equity, but on our Health Equity Incubation Program. Sheila, you're I think on tap for this one. Is the health equity component only for the Hospice Benefit Component? [00:37:38]

SH:

If you're referencing the Health Equity Incubation Program, it is open to all the bid Model participants in 2023. The goal of the voluntary Health Equity Incubation Program is to encourage innovation in key areas of focus, to optimize design and implementation practices, to build an evidence base for quality improvement and medical savings related to social needs interventions, and to guide the future direction of innovation in the overall MA program. [00:38:14]

LM:

Great. Thank you. Will additional information be released regarding the Health Equity Incubation Program? [00:38:23]

SH:

Yes. Information about the Health Equity Incubation Program will be released throughout 2022. The

schedule for the series can be found at the [VBID Model webpage](#) under Webinars, CY2023, Webinars and Recordings. While the Health Equity Incubation Program webinars that are noted on the VBID Model webpage are open to both VBID participants and non-participants, receiving the full benefit of the Health Equity Incubation Program, including valuable cross-participating learning sessions and information sharing requires participation in the Model. [00:39:11]

LM:

Excellent. Thank you so much. Another one for you, Sheila: How do Medicare Advantage organizations apply for the Incubation Program given that the RFA states that the Incubation Program will start before submission to help MAOs during the design process? [00:39:32]

SH:

No application is necessary to participate in the Health Equity Incubation Program because it's an ongoing program. Having said that, we're happy to provide technical assistance for MAOs that are interested in exploring ways to innovate in health equity. [00:39:50]

LM:

Excellent. Thank you. Okay. Now we're going to turn to a different topic, and I think it's definitely important for next week's application deadline to understand the Financial Application and the Net Savings Template. I'm going to turn to Abigale Sanft for a few questions on this important area. Abigale, how do we show savings to CMS on the bid as it is based on estimates of how much we think by lowering costs members will be more adherent with their lower emergency room and/or hospitalization? Do you have any statistics you can share on this? [00:40:33]

AS:

Yeah. This is a really great question. We leave discretion to the certifying actuary about the reasonableness of the estimated savings that you're projecting, and savings may relate to reduced medical expenditures. Again, savings resulted from increased adherence, as you cited, and other evidence documented in the literature. In the April application, MAOs can choose whether they want to demonstrate savings in the aggregate across all the Model components, or separately for each Model component as well, and the net savings for CMS can be over the course of participation in the model or just during the applicable calendar year of participation. [00:41:23]

So, to the extent that aggregate projections are developed from component-level cost and savings projections, they should be well documented, and the component-level of cost and savings projections should be shown. [00:41:38]

LM:

Very helpful. Thank you so much. What does the life of the VBID Model mean? Is that one, or five years? [00:41:47]

AS:

Yes. So you may have picked up on that in my previous answer, but actuaries that are submitting the Financial Application Component of the VBID application have the discretion to either show net savings to CMS over the applicable contract year that they're applying for, or what we call over the life of the model. So when we say, "the life of the Model," that could include your past participation in VBID and future participation in VBID. [00:42:15]

So if you're planning on participating in 2023 and 2024, for example, you could show what your projections would look like across both of those tiers. And you have the discussion show what your savings projections will look like over those two years to prepare more of a longitudinal projection of

savings, rather than just across the one 2023 year. So basically, in short, it's the culmination of both past and future participation. [00:42:44]

LM:

Excellent. Thank you so much. Very helpful. Can you explain the new Net Savings Template? It seems to be linked to certain fields in the bid pricing tool. By April, these BPT values will likely be very rough drafts. Will we be required to resubmit the Net Savings Template by the first Monday in June? [00:43:09]

AS:

Yeah. That's another really important question. So the Net Savings Template allows CMS to view and understand financial data and pricing assumptions in a standard way to see how plans are accounting for savings under the VBID model as required. So to the second part of your question, applicants will not be required to resubmit the Net Savings Template in June if there are not substantive changes to their financial projections from their April application submission, but we do really understand that, you know, these BPTs are drafts, and we're happy to review it and ask any question that we have during the application period as well. [00:43:59]

LM:

All right. Another one for you. Do projections need to be provided separately by each component? [00:44:09]

AS:

So they don't need to be provided separately by each component. MAOs can choose whether they want to demonstrate savings in the aggregate across all components or separately for each component. And again, it can be over the course of participation in the Model's performance period or just during this 2023 upcoming year. But again, to the extent that aggregate projections are developed from component-level costs and savings projections, they should be well-documented and the component level of cost and savings projection should be shown. [00:44:46]

LM:

Very helpful. Okay, last one for you on this topic. Are there certain areas of interventions that CMS is interested in seeing additional participation, such as addressing social determinants of health? [00:45:02]

AS:

Yeah. So CMMI would really like to encourage plans to leverage information from their specific population of enrollees about any unique needs or challenges faced by their enrollees, potentially even utilizing the insights of enrollee advisory committees to understand those needs and challenges. Additionally, CMMI, in partnership with experts and plans implementing these benefits held a webinar last week about the impact of food and nutrition security-focused benefits and suggested ways to operationalize these benefits targeted to Model enrollees. [00:45:42]

Also to build a little bit on what Sheila was saying earlier, previous Health Equity Incubation Program sessions have also given suggestions of how targeting by both chronic condition and LIS status together can help provide extremely valuable benefits to - as, you know, one of the examples that was presented, enrollees that may have LIS and diabetes who struggle to access healthy food and afford their prescription drugs. [00:46:10]

LM:

Very helpful, Abigale. Thank you for all of those answers. So finally, in our prepared questions, certainly last but not least, is Julia Driessen, and she's going to take a couple of questions on our evaluation of the VBID Model. Julia, when will there be an evaluation report released? [00:46:35]

Julia Driessen:

Sure thing. So as announced in the fall, we will be releasing an evaluation report at the end of this year. [00:46:44]

LM:

Excellent. Thank you. And how will plans participate in the evaluation? How does their data factor into the evaluation? [00:46:56]

JD:

Yeah. So MAO data are integral to the evaluation. So CMMI is looking to learn from MAOs about their implementation experience and how their VBID benefits are impacting their enrollees, so your experiences and your data can absolutely inform the public evaluation report. MAOs contribute to the evaluation through these reported data, which is basically used to build part of the evidence base around VBID and is something that we can potentially look to down the line when we're thinking about the broader applicability of these interventions. [00:47:27]

LM:

Excellent. Thank you so much, Julia. Okay, so now I'm going to be scanning the questions that we've gotten in as we've been chatting with our VBID experts here. Sibel, would you want to participate? [00:47:53]

SO:

I see a few that caught my eye, Laurie. I can go ahead and get us started. There's a few questions here for Abigale. If a plan selects to allow inclusion of all generic medications in the VBID model, does the plan have to submit a supplemental drug file as well? [00:48:18]

AS:

Yeah. Thanks, Sibel. So this really depends on the specific methodology for identifying generics. So a Part D Supplemental File listing all of the generics may be required, again pending information about that methodology. With more information about how generics are going to be identified, we can provide a little bit clearer guidance on the need for a file. [00:48:48]

LM:

Excellent. Okay, thank you. Then why don't you stay on, Abigale, and there's another one I think you can answer. Understanding that there is a length of plan existence requirement, are new contracts or plan benefit packages allowed to participate in VBID as long as there are other contracts or plan benefits packages offered by the parent organization that have existed for three or more enrollment years? [00:49:23]

AS:

Yeah. Thanks, Laurie. So this is generally correct. At least one of the proposed PBPs to be included in the VBID Model needs to meet that three-year length of plan existence requirement, or otherwise you should request an exception in your application. And if you do need to apply for this exception, again, you would communicate this in your Qualtrics Application, and we would encourage you to include information about the importance of your proposed benefits to be provided to the target population, as well as some context about your organization's experience with administering benefits. [00:50:06]

LM:

Excellent. And Sibel, there's one that I think you may have put in the chat but just to clarify, folks have

been asking for the link of the 2023 VBID Model Qualtrics Application PDF document? [00:50:27]

SO:

Yeah, that's a great question. So we put this in the chat, but there are two links: One is to a zip file. Once you open up that zip file, it has a whole bunch of resources that Abigale spoke about earlier, including a PDF of all the application questions. The second link that we posted is to go directly to the application link to start filling out your application itself. So we hope that's helpful, and again, if you have any questions, don't hesitate to reach out to the VBID Model team at VBID@cms.hhs.gov. [00:51:01]

LM:

Thank you so much. I see one I think you would be great for. With provisional approval by CMS in mid to late May, and MA bids due soon after on June 6th this year, will CMS communicate with Medicare Advantage organizations ahead of the timeline if there are any issues that need to be addressed with the application, meaning the VBID application. [00:51:32]

SO:

Sure. That's a great question. So as soon as you submit your application on April 15th, or earlier, if you have it ready, we'll start on a rolling basis reviewing those applications. We plan to reach out to plans if there are any issues within two weeks of their application submission, so by no later than the end of April we'll be reaching out to you if there are any questions or issues, and then we'll do a round of back and forth, to provide technical assistance to plans as needed, and then hopefully by mid-May, plans will receive, as applicable, their provisional approvals to submit their bids with the VBID interventions included. [00:52:14]

LM:

Excellent. No pressure to submit early, though. All right. Jane, I see one for you on Wellness and Healthcare Planning. If Wellness and Healthcare Planning Rewards and Incentives are being currently offered outside of the Wellness and Healthcare Planning Model, do we need to consider it as a separate Part C RI component in the Qualtrics Application? [00:52:47]

JA:

Yeah. Thanks, Laurie. So if you are offering rewards for Wellness and Healthcare Planning outside the VBID model, you do not need to show a separate Part C reward or incentive in the application. [00:53:02]

LM:

And, Sibel, if you want to take the next one. Does the plan need to submit all corrective action plans as part of their application, or only in the recent 12 months? [00:53:25]

SO:

So to the extent that a plan has received any corrective action plan, we would only request that information to be submitted as of the last 12 months, from the date of application. [00:53:38]

LM:

Excellent. Julia, I think you answered this before, but it's so important I'm going to ask you to answer it again. When does CMS anticipate having results for the VBID Model 2022? [00:53:56]

JD:

Sure. So the next VBID Evaluation Report will be released by the end of the year. The evaluation report that addresses 2022, we anticipate releasing in early 2024. [00:54:09]

LM:

Excellent. Sibel, one for you. Does the attesting actuary need to be the same actuary that attests to the bid, or can it be a different certified actuary? [00:54:29]

SO:

So it can be a different certifying actuary. We leave it up to the discretion of the organization to identify the appropriate certifying actuary for the VBID Financial Application. [00:54:40]

LM:

Another one that seems like it would be good for you. Is there a specific amount of plans or areas CMS is targeting for expansion for 2023? [00:54:56]

SO:

I think Sheila actually spoke about this a little bit earlier. In terms of our Health Equity Incubation focus areas, we're really interested in seeing more interventions addressing health-related social needs, including addressing food and nutritional insecurity, housing insecurity, as well as transportation issues as well. [00:55:22]

LM:

Excellent. How about, will you also be releasing any technical guidance for the Part D flexibility, like was provided for the Part D senior savings model? Specifically, we're looking for PDE (Prescription Drug Event) guidance for the Model. [00:55:44]

SO:

That's another really good question. So, yes. We are actually planning on building on some of the guidance that we already provided in our monitoring guidelines and will hope to release that additional technical guidance soon as well. [00:56:00]

LM:

Very helpful. So Tzvetomir, I don't want you feeling lonely over there. How about a hospice question for you. How much detail is required on the application when describing hospice supplemental benefits? [00:56:15]

TG:

So for that, we expect the applicant to identify the type of benefit provided, the maximum amount of the benefit, and how benefits are provided, and also, we do provide the ability for the plan or the applicant within the plan, if it can be limited to providers and if they choose or apply to choose to limit the supplemental benefits from the provider or they need to provide their rationale for why this must be the case. [00:56:46]

LM:

Excellent. Thank you. Sibel, here's a good one for you, I think. We are still in a decision-making process for VBID flex amounts. Can we change the dollar amount after the VBID application is submitted? [00:57:05]

SO:

That's a great question. So within the RFA, we actually talk a little bit about this. In terms of what are the incremental changes that plans are allowed to make in terms of after they submit their application? So this would fall into the category of an incremental change potentially, so for example, after your bid submission, if you'd like to change, let's say, the healthy foods cards dollar amount by ten dollars, you're able to do that, and request CMS review and approval that, if it's a more significant change, CMMI and CMS may request updated application materials, including an updated financial application and that

savings template. [00:57:50]

LM:

Excellent. We are almost at the top of the hour. Abigale, I'm going to give you the last question because I think this is a really good one to get out there. Can a VBID intervention include Part B drugs? [00:58:05]

AS:

Yeah, this is a great question. So reduced cost sharing for Part B-covered drugs can, yes, be targeted as a VBID Model intervention. And I've noted in the 2023 RFA, participating MAOs have really broad flexibility to choose the items and services, et cetera, that are eligible for cost-sharing reductions, including for those beneficiaries using high-value services and services offered by high-value providers. However, I would note that these items or services need to be clearly identified and defined within your application, and need to be identified in advance as well to the eligible parties and population. [00:58:55]

LM:

Excellent. So, I think we have run out of time today. Very good questions. Any that we did not get to, please submit through the [VBID mailbox](#) and we will do our best to get answers out. Thank you so much for your time, and to the VBID team.