AMCP Develops 2020 Policy and Advocacy Focus Areas

AMCP has released its 2020 policy and advocacy priorities, which include three focus areas:

- **Rising Cost of Pharmaceuticals and Price Transparency**, including advocacy for increased availability and access to affordable medications and therapies; newly approved, high investment medications; and digital therapeutics.
- **Shift from Fee-For-Service (FFS) to Value-Based Care**, including advocacy for the development of clear metrics to shift payment for pharmaceuticals and other treatments from FFS to value-based care.
- **Managed Care Pharmacy Strategies**, including promoting the use of managed care pharmacy strategies such as prior authorization and step therapy in public and private programs like Medicare Part D, Medicare Part B, and Medicaid.

**WEBINAR**: AMCP will present its 2020 Policy and Advocacy Focus Areas in a March 11 members-only webinar at 2pm ET. The webinar will discuss each focus area, provide background on the decision-making process, and provide an overview of preliminary efforts to take action on the agenda. The webinar will also discuss future opportunities for members to participate in AMCP advocacy efforts during the year.

Regulatory Update

CMS Issues CY 2021 Advanced Notice for MA Capitation Rates and Part C and Part D Payment Policies – Part II

On Feb. 5, CMS released **Part II of the Calendar Year (CY) 2021 Advance Rate Notice**, outlining proposed payment changes and other requirements for plan sponsors participating in Medicare Advantage (MA) and the Part D program for the upcoming contract year.

In a departure from previous years, CMS didn’t include a Draft Call Letter with this release. In the Advance Rate Notice, CMS proposes to continue the phase-in of a new risk adjustment model in Part D; increase the use of the new encounter-based methodology; and reimburse 75 percent of dispensing and vaccine administration fees in
the Medicare Part D coverage gap, with beneficiaries paying the remaining balance. CMS also proposes new Part D Star Ratings measures, including measures for generic drug utilization, initial opioid prescribing, and net promoter score (a measure of consumer satisfaction).

The AMCP regulatory affairs team encourages members to share their thoughts and concerns on these proposals to cmonks@amcp.org to help inform AMCP's formal responses. Comments are due March 6.

**CMS Issues CY 2021 and 2022 Medicare Advantage and Part D Proposed Rule**

On Feb. 5, CMS issued a proposed rule updating the Medicare Advantage and Part D program. The proposed rule implements many of the programmatic changes resulting from recently passed legislation, including the Bipartisan Budget Act of 2018, the 21st Century Cures Act, and the Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities (SUPPORT) Act.

CMS proposes allowing Part D plan sponsors to establish a second "preferred" specialty tier with lower cost-sharing and for each Part D plan to implement a beneficiary benefit tool that would allow plan enrollees to view real-time formulary and benefit information. CMS also proposes requiring plan sponsors to disclose to the agency the measures used to evaluate pharmacy performance in plan network agreements, a new disclosure requirement that will allow CMS to track how plans measure pharmacy performance and to publicly report this information to increase transparency.

The proposed rule also implements provisions of the SUPPORT Act, including requiring plans to educate beneficiaries on opioid risks, the safe disposal of opioids, and alternative pain treatments. CMS also proposes expanding drug management and medication therapy management programs.

The AMCP regulatory affairs team encourages members to share their thoughts and concerns on these proposals to cmonks@amcp.org to help inform AMCP's formal responses. Comments are due April 6.

**CMS Releases New Guidance on Medicaid Waiver Flexibility**

On Jan. 30, CMS released guidance on a new Section 1115 waiver demonstration, known as the "Healthy Adult Opportunity" (HAO). States choosing to participate in the HAO demonstration will be provided extensive flexibility to use their Medicaid funds without being bound by many of the federal Medicaid standards related to eligibility, benefits, delivery systems, and program oversight. States participating in the HAO demonstration will also be provided the opportunity to introduce a drug formulary to reduce drug costs. In exchange for this flexibility, participating states would agree to a limit on federal financing, such as a per capita or aggregate cap. HAO demonstration flexibility would be used to cover only the Affordable Care Act expansion population and other nonelderly adults covered who do not qualify for Medicaid on the basis of disability. CMS will consider state HAO applications on a case-by-case basis and the demonstration will run for five years.

**Listen to AMCP Leg-Reg Update Webinar**

AMCP members can listen to a recording of [January's Leg/Reg](#)
Update webinar for free on AMCP Learn. Highlights of this webinar include an end-of-year analysis and environmental outlook of policy activity on the 2020 Congressional and Regulatory calendars. In addition, the webinar includes current developments on Capitol Hill and within federal agencies and states on topics such as the high cost of medications, utilization management, updates on Medicare Parts B and D, and policies related to biologics and biosimilars.