



## NewsBREAK | Nov. 10

### CMS Issues Guidance on IRA - Cost Sharing for Part B Drugs

- On Nov.7, 2022, the Centers for Medicare & Medicaid Services (CMS) issued guidance about the Inflation Reduction Act (IRA) changes to cost sharing requirements. The requirements are effective April 1, 2023 for Part B drugs with prices increasing faster than inflation and July 1, 2023 for the monthly Part B cost-sharing cap for insulins.
- For Medicare Advantage (MA) plans:
  - Coinsurance for Part B rebatable drugs will be reduced if the drug's price has increased faster than the rate of inflation. CMS will specify the adjusted beneficiary coinsurance amount for Part B rebatable drugs in the pricing files on the Medicare Part B Drug Average Sales Price website prior to the applicable quarter.
  - Insulin furnished under Part B through an item of durable medical equipment is subject to a beneficiary coinsurance cap of \$35 for a one-month's supply without applying a service category or plan level deductible. Because original Medicare cost sharing is an absolute cap on cost sharing for Part B insulin, both MA coinsurance and copayments must not exceed that amount.
- For Section 1876 Cost Plans:
  - The cost sharing charged by Section 1876 Cost Plans must not exceed the effective original Medicare coinsurance percentage for a Medicare Part B rebatable drug for drugs in the "Chemotherapy administration services to include chemotherapy/radiation drugs" category.
  - The Part B Rebatable Drug Coinsurance Adjustment and Part B Insulin Cost Sharing Cap apply to Section 1876 Cost Plan enrollees who access health care benefits via original Medicare in the same manner as they apply to original Medicare beneficiaries.
- For both MA plans and Section 1876 Cost Plans:
  - MA plans and Section 1876 Cost Plans must implement the Part B Rebatable Drug Coinsurance Adjustment at the point-of-service, so the enrollee is charged no more than the adjusted coinsurance percentage for the specific drug. CMS will consider timely refunds to enrollees of any excess coinsurance as compliance with the requirements, but this implementation flexibility is only for CY 2023.
  - The CY 2023 Medicare Plan Finder (MPF) will reflect Part B drug cost sharing amounts that MA organizations and Section 1876 Cost Plans submitted in their 2023 bids. CMS is considering ways in which to educate beneficiaries about the cost sharing changes.

See the guidance for additional requirements.

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### More on This Topic

- [Guidance document](#)
- [Medicare Part B Drug Average Sales Price website](#)

For questions, please reach out to [Tyler Thorne](#).

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