



NewsBREAK | Dec. 19

CMS releases Part D Proposed Rule

On Dec. 14, 2022, CMS released the Calendar Year (CY) 2024 Part C and D Policy and Technical Proposed Rule. This proposed rule applies to Medicare Advantage (MA), Part D, Medicare cost plans, and Programs of All-Inclusive Care for the Elderly (PACE).

- **MA Prior Authorization Policies.** CMS proposes regulatory requirements governing the use of prior authorization (PA) and other utilization management (UM) tools relating to “basic” and “supplemental” benefits in the MA program.
- **Health Equity.** The proposed rule would include a health equity index (HEI) reward and other revisions to the Star Ratings program and would expand the list of populations that MA organizations must provide services to in a culturally competent manner to promote health equity.
- **Mid-Year Formulary Changes.** CMS proposes to codify many of its existing policies governing Part D plans' ability to adopt mid-year formulary changes. The rule would permit Part D sponsors to immediately substitute:
 - (1) a new interchangeable biological product for its corresponding reference product;
 - (2) a new unbranded biological product for its corresponding brand name biological product; and
 - (3) a new authorized generic for its corresponding brand name equivalent.
- **Medication Therapy Management (MTM) Programs.** CMS is proposing changes to MTM eligibility criteria that would expand the list of "core" chronic diseases, reduce the number of required drugs to qualify, and overhaul the methodology used to calculate the applicable threshold for eligibility by tying it to the cost of a bundle of generic drugs.
- **Electronic prescriptions.** The proposed rule would update the standards for e-prescribing by Part D prescription drug plans.
- Please see the rule for additional requirements.

Note that this is a proposed rule, scheduled to be published in the Federal Register on December 27, 2022. Comments are due 60 days after the date of publication. Additional information will be provided once the rule has been finalized.

More on This Topic

- [Text of the proposed rule](#)
- [CMS Fact Sheet](#)

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

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