



March 1, 2024

Chiquita Brooks-LaSure  
Administrator  
Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
P.O. Box 8013  
Baltimore, MD 21244-8013

*Submitted electronically via regulations.gov*

Re: Advance Notice of Methodological Changes for Calendar Year (CY) 2025 [CMS-2024-0006]

Dear Administrator Brooks-LaSure:

The Academy of Managed Care Pharmacy (AMCP) thanks the Centers for Medicare & Medicaid Services (CMS) for the opportunity to provide comments in response to the Advance Notice of Methodological Changes for Calendar Year (CY) 2025 [CMS-2024-0006] (Advance Notice).

AMCP is the nation's leading professional association dedicated to increasing patient access to affordable medicines, improving health outcomes, and ensuring the wise use of healthcare dollars. Through evidence and value-based strategies and practices, AMCP's nearly 8,000 pharmacists, physicians, nurses, and other practitioners manage medication therapies for the 270 million Americans served by health plans, pharmacy benefit management firms, emerging care models, and government health programs.

### **Rising Medical Costs**

AMCP is concerned that the changes proposed in the Advance Notice do not sufficiently offset rising medical costs, including increases in utilization caused by care deferred during the COVID-19 pandemic.<sup>1</sup> A recent analysis by Berkley Research Group (BRG) estimates higher growth trends than CMS is currently estimating.<sup>2</sup> Given these growth trends, the current proposal could lead to reduced healthcare value for beneficiaries.<sup>3</sup>

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<sup>1</sup> Studies have estimated that 41 percent of U.S. adults skipped or delayed necessary medical during the COVID-19 pandemic. See, e.g., <https://www.cdc.gov/mmwr/volumes/69/wr/mm6936a4.htm> and <https://www.beckershospitalreview.com/care-coordination/the-end-of-deferred-care.html>

<sup>2</sup> [https://media.thinkbrg.com/wp-content/uploads/2024/02/23124301/BRG-MA-Modeling-White-Paper-2024\\_Final.pdf](https://media.thinkbrg.com/wp-content/uploads/2024/02/23124301/BRG-MA-Modeling-White-Paper-2024_Final.pdf). See also <https://www.pwc.com/us/en/industries/health-industries/library/behind-the-numbers.html>.

<sup>3</sup> The BRG analysis shows that beneficiaries may experience an average \$33 reduction in health care value per month, while populations like dual eligibles may experience an average \$50 reduction of value per month. [https://media.thinkbrg.com/wp-content/uploads/2024/02/23124301/BRG-MA-Modeling-White-Paper-2024\\_Final.pdf](https://media.thinkbrg.com/wp-content/uploads/2024/02/23124301/BRG-MA-Modeling-White-Paper-2024_Final.pdf).

Rising costs present a significant challenge to healthcare systems and individuals worldwide. For patients, escalating drug prices can lead to financial strain, medication non-adherence, and compromised health outcomes. When healthcare services become prohibitively expensive, beneficiaries may forego necessary treatments or medications, leading to worsened health conditions and decreased overall well-being. Ensuring that CMS' final rates do not reduce healthcare value for beneficiaries will result in sustainable access to vital medications for all patients. For this reason, AMCP encourages CMS to incorporate comprehensive data about current utilization and cost trends before finalizing the Rate Notice to promote stability in the Medicare Advantage program and ensure continued access to affordable care.

AMCP applauds CMS' ongoing efforts to minimize the financial risks for Part D plans caused by unforeseen drug expenses. AMCP encourages CMS to widen the risk corridors for CY 2025 to minimize the risk to plans created by the uncertainty inherent in health care costs. This would create greater stability and predictability for Part D plans and beneficiaries alike.

### **RxHCC Risk Adjustment Model and Normalization Factors**

AMCP supports the proposed updates to the Part D Risk Adjustment (RxHCC) model to align with the IRA's requirements but urges CMS to ensure that risk-adjusted payments are adequate for all therapeutic areas and beneficiary types to prevent plans from facing potential financial losses. Given the IRA's increase in plan liability for drugs in the catastrophic phase and for drugs used by LIS enrollees, it is imperative that the recalibration of the RxHCC model ensures that plans are adequately compensated for the risk associated with their enrolled populations and are incentivized to enroll all beneficiaries. AMCP appreciates the complexity and nuance required to predict drug spending and applauds CMS' efforts to base these adjustments on data while being transparent about the process. CMS should closely monitor the effects of these adjustments and make further refinements as necessary to prevent unanticipated adverse impacts.

### **Star Ratings Measures**

AMCP supports the Administration's goal to align a core set of measures across quality rating and value-based care programs to promote the safest and most equitable care. By employing a standardized rating system, the Universal Foundation will enable patients and caregivers to make well-informed decisions about their healthcare choices, facilitating transparency and accountability throughout the healthcare industry. AMCP believes that the Universal Foundation will be a valuable tool and we encourage CMS to include these measures in future rulemaking on Part D Star Ratings while ensuring that they reflect the diverse and complex needs of beneficiaries. AMCP believes that it is essential to keep in mind the complexity of individualized care while developing and implementing these measures to account for the multifaceted needs of patients. As always, care should be taken to anticipate and avoid potential negative consequences by engaging with a wide variety of interested parties, including providers, plans, and patient advocacy organizations.

### **Conclusion**

AMCP appreciates your consideration of the concerns outlined above and looks forward to continuing work on these issues with CMS. If you have any questions regarding AMCP's

comments or would like further information, please contact AMCP's Director of Regulatory Affairs, Geni Tunstall, at [etunstall@amcp.org](mailto:etunstall@amcp.org) or (703) 705-9358.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Cantrell". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Susan A. Cantrell, MHL, RPh, CAE  
Chief Executive Officer