AMERICA'S PHYSICIAN GROUPS

December 9, 2024

Chiquita Brooks LaSure
Administrator, Centers for Medicare & Medicaid Services
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

Submitted via https://surveys.cms.gov/jfe/form/SV_40iDHQWMNuVfyGq

Re: Medicare $2 Drug List Model – Request for Information (RFI)

Dear Administrator Brooks LaSure:

America's Physician Groups (APG) appreciates the opportunity to respond to the Centers for Medicare & Medicaid Services' (CMS) 2024 request for information (RFI) on the Medicare $2 Drug List (M2DL) model. We welcome the agency's openness to stakeholder input and its ongoing commitment to improving health care for all Americans.

Below, APG will first provide (I) a brief description of our organization, followed by (II) a summary of CMS's proposed rule, (III) APG's comments and recommendations, and then (IV) our conclusion. Together they reflect the voice of our membership and our commitment to working with the agency to ensure that all Americans have consistently accessible, high-quality, person-centered health care; that health care be equitable; and that the health care system more fully embrace value-based care models in which providers are accountable for both the costs and quality of care.

I. About America's Physician Groups

APG is a national association representing more than 360 physician groups that are committed to the transition to value, and that engage in the full spectrum of alternative payment models and Medicare Advantage (MA). APG members collectively employ or contract with approximately 195,000 physicians (as well as many nurse practitioners, physician assistants, and other clinicians), and care for roughly 90 million patients, including roughly 30 percent of all Medicare beneficiaries who are enrolled in MA.

Our motto, "Taking Responsibility for America's Health," underscores our members' preference for being in risk-based, accountable, and responsible relationships with all payers, including Medicare and MA health plans, rather than being paid on a fee-for-service basis. Delegation of risk from payers to providers creates the optimal incentives for our groups to provide integrated, coordinated care; make investments in innovations in care delivery; advance health equity; and manage our populations of patients in more constructive ways than if

our members were merely compensated for the units of service that they provide.

II. M2DL ($2 Drug Model) RFI

In the RFI, CMS discusses the development of a new voluntary model for administering Medicare Part D benefits. The model would enable Part D sponsors to offer a standard set of generic drugs with a capped copayment of $2-per month (and up to $5 per month for a 3-month supply) across all aspects of Part D cost-sharing. Listed medications would be those approved for treatment of conditions common among Part D beneficiaries and would not be subject to any non-safety related utilization management requirements at network pharmacies.

CMS recognizes that affordability and lack of prescription drug price transparency are impediments to greater medication adherence. The model aligns with the goals articulated in President Biden's Executive Order 14087, "Lowering Prescription Drug Costs for Americans."

CMS seeks feedback from stakeholders on various aspects of the M2DL model, such as which drugs should be included in the list. The agency's requests specific to physicians include the following questions about outreach:

CMS Outreach Efforts: The M2DL Model will be most successful when prescribers, pharmacists, and beneficiaries are aware of the $2 Drug List. CMS intends to conduct outreach and education that would complement existing plan communications. Additionally, the agency is interested in outreach by other external parties that may help raise awareness of the model. What outreach activities would be most effective to reach prescribers, beneficiaries and their caregivers, and pharmacists?

Part D Sponsor Outreach and Education Efforts for Beneficiaries: CMS seeks information about the best practices used by Part D sponsors' communications and marketing efforts to prescribers, beneficiaries, and their caregivers about the details of a given Part D plan, especially details on gaining access to low-cost drugs. Please provide examples of specific marketing elements or techniques that have either been effective or ineffective at helping beneficiaries, and their prescribers navigate their Part D plan options. Are there specific marketing or outreach elements that have either been effective or ineffective with low-income populations? How could these examples be applied to the M2DL model being developed?

III. APG's Comments and Recommendations

APG members are grateful that CMS's RFI reflects an ongoing willingness to engage with stakeholders and incorporate lessons learned in developing new programs. APG also appreciates CMS's clear commitment to increasing prescription drug affordability.

As physician groups that take responsibility for the quality and cost of care for the patients whom they serve, APG members recognize the importance of access to affordable prescription drugs. They also recognize that all Part D and Medicare Advantage benefits are best implemented in conjunction with accountable or value-based care arrangements between Part D sponsors and Medicare Advantage organizations (MAOs) and their contracted providers groups, in which both parties share financial risk for providing MA benefits. In such cases, incentives are aligned between MAOs and contracted providers, who can then provide optimal, coordinated, patient-focused care. These partnerships between MAOs and provider organizations mean that both parties are particularly attuned to optimal medication use by Medicare beneficiaries, including adherence. They thus have an especially strong interest in assuring that patients have access to appropriate medicines at affordable out-of-

pocket costs.

In fact, CMS should keep these accountable or value-based care arrangements in mind as the agency pursues future rulemaking on Part D and MA benefits. As CMS has noted, MAOs have been increasingly embracing value-based care arrangements, but this growth needs to be better understood and accelerated.[1] APG encourages CMS to offer incentives to MAOs and Part D sponsors for incorporating value-based care arrangements with contracted providers, e.g. by adding a Star Ratings measure that would specifically reward the existence of value-based care arrangements.

- **APG recommends that CMS offer incentives to Medicare Advantage organizations and Part D sponsors for incorporating value-based care arrangements with contracted providers, e.g. by adding a Star Ratings measure for availability of value-based care arrangements.**

For outreach efforts on the M2DL model and all other Part D benefits, APG suggests that both CMS and Part D sponsors set up a series of listening sessions with MAOs, contracted physician and other provider groups, and these provider groups' internal pharmacy teams, to gather more insight on what outreach efforts would be most effective. As front-line providers, contracted physicians in particular are optimally equipped to advise on how outreach efforts can best serve patients. As an example, many APG member physician groups have pharmacists on primary care teams; they consult regularly with Medicare-eligible patients with multiple chronic illnesses who would be prime candidates for $2 copays on drugs. APG would be happy to work with CMS to connect the agency with representative members who can provide further insight into which types of outreach efforts would best serve both the provider and patient communities, given the expertise that our members have on the topic of appropriate drug lists and meaningful connections with patients.

- **APG recommends that CMS and Part D sponsors coordinate closely with contracted provider groups to ensure that physician feedback is incorporated in the design, ongoing conduct, and refinement of M2DL mod**el **outreach efforts. APG further recommends that the agency create a series of listening sessions to gain further input along these lines and offers its assistance in connecting agency officials with representative APG members – most especially including those who have pharmacists working closely with them on primary care teams, and considerable expertise to lend on the topic of appropriate drug lists and patient outreach.**

IV. Conclusion

APG thanks CMS for the agency's commitment to ensuring that the Medicare program continues to address stakeholder concerns and meet the needs of all beneficiaries. We look forward to working with CMS as the model proposed in the RFI is refined and finalized.

Sincerely,

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America's Physician Groups
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[1] https://www.healthaffairs.org/content/forefront/medicare-value-based-care-strategy-alignment-growth-and-equity