Calendar Year (CY) 2025 Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model Application Office Hours

March 19, 2024
Center for Medicare & Medicaid Innovation
Centers for Medicare & Medicaid Services



Disclaimer

This presentation was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This presentation was prepared as a service to the public and is not intended to grant rights or impose obligations. This presentation may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.



Presenters

- Anna Rosenblatt, VBID Model Communications Lead
- Megan Coufal, VBID Model Co-Lead
- Yixuan Song, VBID Model Co-Lead
- Richard Coyle, Office of the Actuary (OACT)
- Julia Driessen, Evaluation Lead for the VBID Model



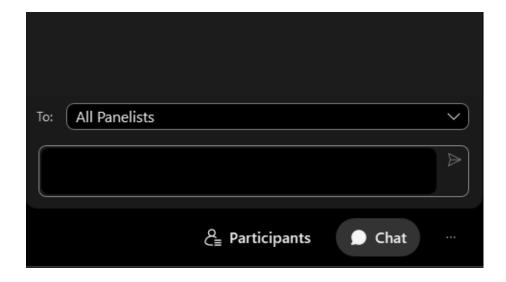
Agenda

- CMS Introductions
- New for CY 2025
- CY 2025 Application Process, Tips & Timeline
- Question and Answer Session



How to Submit Questions

- Questions can be submitted through the WebEx chat.
 - Select "Chat" followed by "All Panelists."
- The VBID Model Team will review submitted questions and provide answers.
 Some questions may require additional research, and will not be answered today.
- Additional questions may be sent to VBID@hhs.cms.gov





CY 2025 VBID Model Overview

| VBID Flexibilities (VBID-Flex) | Part D Rewards and Incentives (RI) Programs |
|--|---|
| Tests the impact of targeted, reduced or eliminated cost- sharing (including for Part D drugs) or additional supplemental benefits based on enrollees: a) Chronic health condition(s) | Tests how Part D R&I programs that, in connection with medication use, focus on promoting improved health, medication adherence, and the efficient use of health care resources |
| b) Low-income subsidy (LIS) eligibility (or, in the territories, dual eligibility for both Medicare and Medicaid) | |
| c) Place of residence in the most underserved Area Deprivation Index (ADI) areas | |
| d) Combination of (a), (b) and/or (c) | |

CY 2025 Application Process, Tips & Timeline



CY 2025 VBID Model Application: Materials / Resources

| Material | Description |
|------------------------------------|---|
| Application Video Walkthrough | Video and <i>Password:</i> AppWalkthrough2025 • Includes transcript |
| Application Materials Zip File | CY 2025 VBID Application Spreadsheet (<i>excel</i>)Required, application. |
| | CY 2025 Application Spreadsheet Example File (excel) Contains examples for tables in the application as a compliment to the Video Walkthrough |
| | CY 2025 VBID Application Spreadsheet Walkthrough Transcript (same as available on main page) |
| | CY 2025 VBID Financial Application FAQs Includes clarification to the actuarial requirements for MAOs submitting VBID Model applications |
| | CY 2025 VBID Model Financial Application TemplateRequired, financial application. |
| | CY 2025 VBID Model Net Savings Template (excel)Required, net savings template. |
| Competitive Application Memorandum | CY 2025 VBID Application Screening and Scoring Process Memorandum, and rubric Includes information on how VBID Model applications will be screened and scored. |
| Submission Link | Website with the required application materials and any supplemental materials must be uploaded by 11:59 PM PT on April 12, 2024 |

All materials are available on the Model webpage



CY 2025 VBID Model Application: Important Links

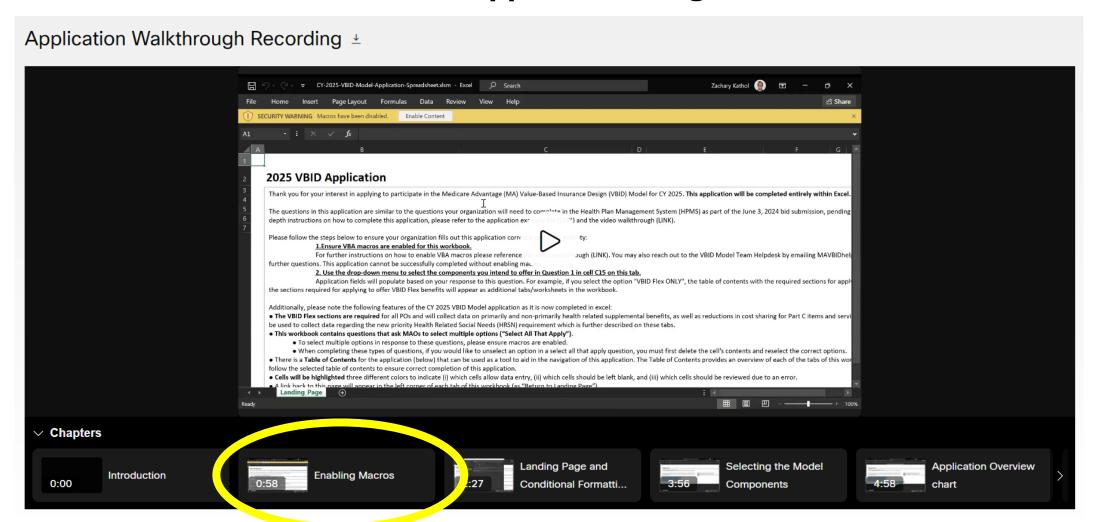
CY 2025 Materials

- CY 2025 VBID Application Screening and Scoring Process Memorandum (PDF)
 - This memorandum announced the Model application screening, scoring process, and rubric for the Calendar Year (CY) 2025 VBID Model application cycle.
- CY 2025 VBID Model Application Walkthrough | password: AppWalkthrough2025
 - CY 2025 VBID Model Application Walkthrough Transcript (PDF)
- CY 2025 VBID Model Application Materials (ZIP)
 - CY 2025 VBID Model Application Submission Link
- Announcement on Terminating the Hospice Benefit Component
- VBID Model 2025-2030 Extension Overview
- Request for Applications VBID Model (RFA) (PDF)
- Request for Information VBID Model and VBID Model Hospice Benefit Component (PDF) (Due Date Extension: Comments were due February 16th, 2024)
- Area Deprivation Index Data Book (XLSX)
- Medicare Advantage Value-Based Insurance Design Model: CY2025 RFA Fact Sheet
- CY 2025 Preliminary Hospice Capitation Payment Rate Actuarial Methodology (PDF)
- CY 2025 Final Hospice Capitation Payment Rate Actuarial Methodology (forthcoming in April 2024)
- CY 2025 Final Hospice Capitation Payment Ratebook (forthcoming in April 2024)
- CY 2025 Final Hospice Benefit Component Data Book for Year-1 Rates (forthcoming in April 2024)
- CY 2025 Final Hospice Benefit Component Data Book for Mature-Year Rates (forthcoming in April 2024)
- CY 2025 VBID Model Monitoring Guidelines (forthcoming in Fall 2024)



CY 2025 VBID Model Application: Walkthrough Video

Password: AppWalkthrough2025





CY 2025 VBID Model Application: Walkthrough Transcript

CY2025 VBID Application Spreadsheet Walkthrough

Thursday, February 22, 2024

Zack Kathol:

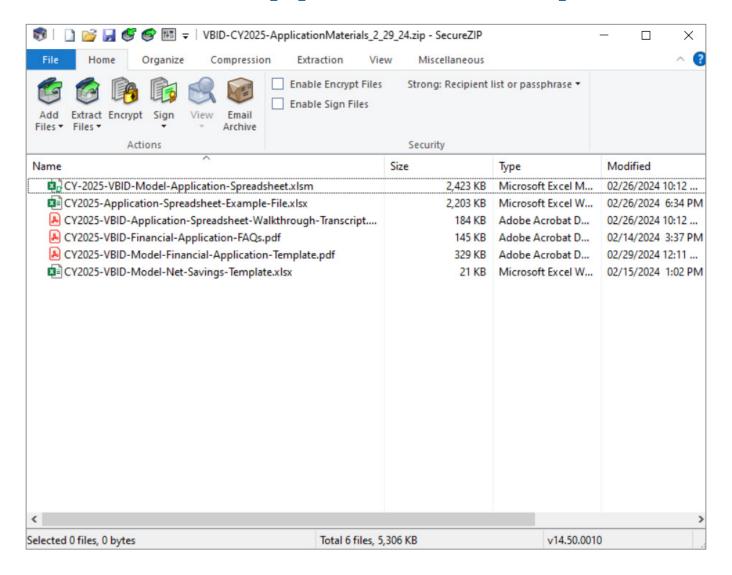
Hello, my name is Zack Kathol and I am here with Razi Corne, on behalf of the Value-Based Insurance Design or "VBID" Model. This video will provide a detailed walkthrough of the Calendar Year, CY, 2025 VBID Model Application Spreadsheet. New for Calendar Year 2025, the application is predominantly a single excel workbook. [00:00:20]

To complete the application, you must submit this completed Application Spreadsheet, the Net Savings Template, and the Financial Application online by 11:59 PM Pacific Time April 12, 2024. In this video we will go over how to navigate the Application Spreadsheet, functionality of the spreadsheet, and how to complete each tab in the workbook fully and correctly. This video does not cover the separately required Financial Application and Net Savings Template. For further guidance on the Financial Application and Net Savings Template please see the Financial Application FAQs available on the VBID Model Website. [00:00:56]

After opening the workbook, the first step will be to enable macros. Enabling macros is crucial for the Excel workbook to function as intended. Each time you open the Application Spreadsheet, you must first enable macros before entering any data or making any drop-down selections within the workbook. In order to enable macros, please click on the "Enable Content" button on the top of the workbook. Once you have clicked on that button, you may see a pop-up message asking if you want to make this file a trusted document. Select "Yes" in response to this pop-up message. [00:01:30]



CY 2025 VBID Model Application: Zipfile



CY 2025 VBID Model Application: Application Spreadsheet

2025 VBID Application

Thank you for your interest in applying to participate in the Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model for CY 2025. This application will be completed entirely within Excel.

The questions in this application are similar to the questions your organization will need to complete in the Health Plan Management System (HPMS) as part of the June 3, 2024 bid submission, pending provisional approval for participation in the Model. For in depth instructions on how to complete this application, please refer to the application example file (LINK) and the video walkthrough (LINK).

Please follow the steps below to ensure your organization fills out this application correctly and in its entirety:

1.Ensure VBA macros are enabled for this workbook.

For further instructions on how to enable VBA macros please reference the video walkthrough (LINK). You may also reach out to the VBID Model Team Helpdesk by emailing MAVBIDhelpdesk@acumenilc.com and vbid@cms.hhs.gov with any further questions. This application cannot be successfully completed without enabling macros.

Use the drop-down menu to select the components you intend to offer in Question 1 in cell C15 on this tab.

Application fields will populate based on your response to this question. For example, if you select the option "VBID Flex ONLY", the table of contents with the required sections for applying to offer VBID Flex benefits will appear as additional tabs/worksheets in the workbook.

Additionally, please note the following features of the CY 2025 VBID Model application as it is now completed in excel:

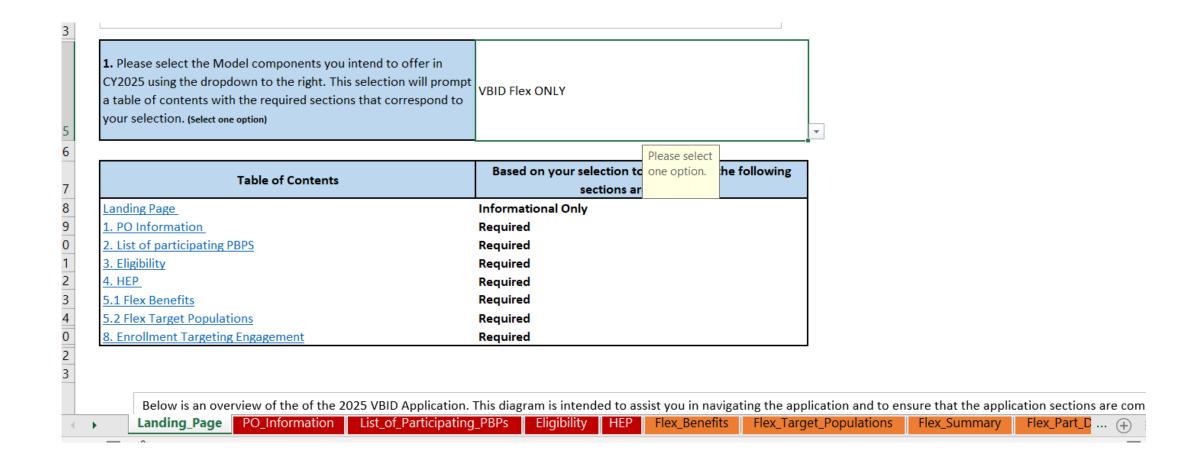
- The VBID Flex sections are required for all POs and will collect data on primarily and non-primarily health related supplemental benefits, as well as reductions in cost sharing for Part C items and services, Part B drugs, and covered Part D Drugs. This tab will also be used to collect data regarding the new priority Health Related Social Needs (HRSN) requirement which is further described on these tabs.
- This workbook contains questions that ask MAOs to select multiple options ("Select All That Apply").
 - · To select multiple options in response to these questions, please ensure macros are enabled.
- When completing these types of questions, if you would like to unselect an option in a select all that apply question, you must first delete the cell's contents and reselect the correct options.
- There is a **Table of Contents** for the application (below) that can be used as a tool to aid in the navigation of this application. The Table of Contents provides an overview of each of the tabs of this workbook and general instructions for each tab. It is important to follow the selected table of contents to ensure correct completion of this application.
- Cells will be highlighted three different colors to indicate (i) which cells allow data entry, (ii) which cells should be left blank, and (iii) which cells should be reviewed due to an error.
- A link back to this page will appear in the left corner of each tab of this workbook (as "Return to Landing Page").
- Please be sure to review all instructions thoroughly and adhere to all question requirements. Cells are designed to only accept specific values or character lengths, and it is crucial to follow these requirements. We will only consider responses that meet the formatting requirements of the questions.

Please submit the application, financial application, and net savings template by uploading the completed materials to this link (LINK). You may also reach out to the VBID Model Team Helpdesk by emailing MAVBIDhelpdesk@acumenllc.com and VBID@cms.hhs.gov with any questions.

| VBID Model Components: VBID Flex: This component consists of primarily and non-primarily health related supplement management programs/disease management programs. Part D Rewards and Incentives (RI): RI programs offered in connection with Part D prescript. | ntal benefits, reductions in cost sharing for Part C items and services and covered Part D drugs, and the use of high-value providers and/or participation in care ion drug benefits. |
|--|---|
| As noted above, as you complete this workbook cells will autoformat to indicate whether or not centered, and whether or not there are any errors in completion. Please note that if a previously of that indicates completeness. 1. Please select the Model components you intend to offer in CY2025 using the dropdown to the right. The selection will prompt a table of contents with the required sections that correspond to your selection. (Sale and partials) | |



CY 2025 VBID Model Application: Application Spreadsheet



CY 2025 VBID Model Application: Application Spreadsheet (Example File)

5.3 VBID Flex Summary [Completed with Mock Example Data for Illustration]

Disclaimer: This 2025 Mock VBID Application has been completed with mock example data for illustrative purposes only. This does not serve as evidence of what CMS deems to be acceptable interventions or a complete, thorough application. An official determination cannot be made until the application is submitted and reviewed following the application deadline.

This tab is intended for your organization to map the Flex intervention(s) your organization listed within the "Flex_Benefits" tab to the Flex Targeting Criteria your organization listed within the "Flex_Target_Populations" tab.

Within the table below, each unique combination of (i) RI target population, (ii) VBID Flex benefit and (iii) contract-PBP-segment will be assigned a row. Accordingly, one contract-PBP-segment may appear multiple times in the table.

To populate the table below:

- 1. List each Contract-PBP-Segment that will be offering Flex benefits in Column B
- a. Please note that all contract-PBP-segments that will offer supplemental benefits, Part C reduced cost sharing, and Part D reduced cost sharing must be listed within this table.
- 2. Answer the questions about each PBP's Flex benefits in Columns C-Q as applicable
 - a. For each Contract-PBP-Segment that you list, each relevant column must be completed (indicated by each Contract-PBP-Segment appearing with a white background) for this tab to be considered complete.

Cells are highlighted white when data can be entered, cells are highlighted grey when they should be left blank, and cells are highlighted red when there is an error in your response or a response is missing. Be mindful of red cells indicating an error. Additionally, please note that grey cells should be left blank, but may turn white depending on your responses to other white cells.

The below is an example and does not necessarily reflect an approved intervention. This example shows how a PO would populate Table 5.2.1. Please note:

- Each PBP included in the application individually meets the HRSN priority requirement, regardless of whether or not that PBP is only offering Part D RI through VBID.
 - For example, HXXX4-123-000 is offering Part D RI only, but lists the two SSBCI benefits which it is using to meet the HRSN requirement in the table below.
 - Further, HXXX5-555-000 is offering only one VBID Flex benefit that meets the HRSN requirement, as a result, that PBP lists an SSBCI benefit which will be used to meet the HRSN requirement.
- Lastly, although each segment of HXXX3-TBD is offering an "OTC Item" benefit outside of VBID (see the "Flex_Benefits" tab) because these segments each meet the HRSN requirement through VBID they do not list non-VBID benefits in this table.
- One benefit could have different target populations which vary by PBP.
- One target population may apply to multiple different benefits (e.g., TP1).
- One PBP may offer multiple benefits, and even have multiple Flex target populations (E.g., HXXX5-556-000).
- The PO has completed Columns J-M and Column P for each supplemental benefit which they intend to offer.
- In completing Column P, the PO considered the entire year, rather than one benefit period. For example, while VBID4 is offered to enrollees in HXXX5-555-000 monthly, the PO listed their expected utilization over the entire year
- The PO was mindful of the enrollment estimates which they provided on the "List_of_Participating_PBPs" tab when completing this table; the expected number of targeted and engaged enrollees (in columns N and O below) do not exceed the projected number of enrollees in Column the "List_of_Participating_PBPs" tab for each respective contract-PBP-segment.

| Table 5.3.1: VBID Flex Summary | 1 |
|--------------------------------|---|
|--------------------------------|---|

| Contract-PBP-Segment Number | What benefit will this PBP be offering? If a | | What will be the target population for this | Targeting Population Description |
|-----------------------------|--|--|--|---|
| (Select from dropdown) | each benefit in a separate row using the | t (This column will auto populate based on your response in Colu | nn C) benefit? Please use the relevant target population code (e.g., TP4) found on the | (This column will auto populate based on your response in Column E) |
| | relevant benefit number (E.g., DRC3, SB2, | | "Flex_Target_Populations" tab. | |
| | CRC6) found on the "Flex_Benefits" tab. | | (Select one option) | |
| | (Select one option) | | | |
| | | | | |
| | | | | |
| | | | | |
| HXXX1-222-000 | SSBCI1 | Transportation to Any Health-related Location | TP2 | Enrollees with: Cardiovascular disorders Chronic heart failure |
| HXXX1-222-000 | MA1 | In-Home Safety Assessment | TP2 | Enrollees with: Cardiovascular disorders Chronic heart failure |
| HXXX1-222-000 | DRC1 | 2% Coinsurance for all Part D drugs on tier(s) 3 4 5 | TP1 | LIS Levels: 1 2 3 and State ADI deciles beginning at 9 |
| Landing_Page PO_Info | mation List_of_Participating_PBPs | Eligibility HEP Flex_Benefits Flex_Target_Po | pulations Flex_Summary Flex_Part_D_Supplement | Part_D_RI Part_D_RI + : • |



CY 2025 VBID Model Financial Application: Frequently Asked Questions

Calendar Year (CY) 2025 Value-Based Insurance Design (VBID) Model Frequently Asked Questions (FAQs) on Pricing and Financial Application Requirements

Overview: The CY 2025 Request for Applications (RFA) to participate in the VBID Model is available on the VBID Model Webpage at: https://www.cms.gov/priorities/innovation/innovation-models/vbid. CMS is providing this accompanying FAQ document to provide additional clarifications to the actuarial requirements for Medicare Advantage Organizations (MAOs) interested in applying to participate in the VBID Model that are outlined in the CY 2025 RFA. If you have additional questions about the pricing and financial application requirements after reviewing this FAQ document, please contact the VBID Model Team at VBID@cms.hhs.gov.

Q. To what extent must an actuary be involved in the preparation of application materials for the VBID Model?

A. Per section 3.4 of the CY 2025 VBID Model RFA, MAOs seeking to participate in the VBID Model must provide as part of their application "projections of the impact that their participation will have, for CY 2025 and over the course of the MAO's participation in the Model on plan medical and prescription drug utilization, cost, and premiums." These projections are expected to be prepared by, or have the preparation directed by, a qualified actuary who is a member of the American Academy of Actuaries (MAAA). This portion of the application is considered to be an Actuarial Communication in accordance with Actuarial Standard of Practice (ASOP) Number 41. Thus, the actuary must be clearly identified in the submission of application materials.

Q. With respect to the projections required as part of the application related to medical and prescription drug utilization, cost, and premiums, what are MAOs expected to show?

A. As noted under section 3.4 of the CY 2025 RFA, the projections are expected to "show net savings to CMS in CY 2025, net of risk score trends attributable to the Model, and over the course of the MAO's participation in the Model; and no net increase in enrollee cost in CY 2025 and over the life of the Model." It is sufficient for the actuary to demonstrate that the pricing assumptions being applied for the contract year will lead to reductions in CMS payments, with similar assumptions in future Model years (as opposed to a longitudinal projection). The decision of whether to model a single year and assume similar directional changes in future years or to prepare a longitudinal projection is left to the discretion of the actuary.



CY 2025 VBID Model Financial Application: Template



Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model Calendar Year (CY) 2025 Financial Projections

BACKGROUND

The VBID Model tests complementary health plan innovations designed to promote improved quality and reduced costs in the MA program. Applicants and certifying actuaries should refer to the CY 2025 Requests for Applications for the VBID Model located at https://www.cms.gov/priorities/innovation/innovation-models/vbid. For the Calendar Year (CY) 2025 VBID Model, eligible MA Organizations (MAOs) may participate in the VBID Model by proposing one or more of the following components: \(^1\)

VBID Flexibilities: For CY 2025, participating MAOs may provide non-uniform supplemental benefits (including supplemental benefits that are not primarily health related), such as reduced cost-sharing and/or additional benefits, to targeted enrollees. MAOs may target enrollees for VBID benefits and services based on the following: (1) chronic health condition(s); (2) low-income subsidy (LIS) eligibility; (3) place of residence in the most underserved areas, as identified by the Area Deprivation Index (ADI); or (4) a combination of chronic health condition(s), LIS eligibility, and/or place of residence in the most underserved ADI areas.



CY 2025 VBID Model Financial Application: Net Savings Template

| Co | ntract Number: | | HXXXX | | | |
|------------|--|-----------|-------|-----------------|--------------|------------|
| . Plan ID: | | 000 | | | | |
| Se | gment ID: | | 00 | | | |
| Cal | endar Year: | | 2025 | | | |
| ledio | care Payments (PMPM)* | | | | | |
| | Description | Worksheet | Cell | Without VBID | With VBID | Difference |
| + | Plan A/B Bid | MA 5 | E18 | | | \$0.0 |
| - | Basic MA premium | MA 6 | R29 | | | \$0.0 |
| + | Part C Rebates Allocated to Reduce A/B Cost Sharing | MA 6 | L25 | | | \$0.0 |
| + | Part C Rebates Allocated to Other A/B Mandatory Supplemental Benefits | MA 6 | L26 | | | \$0.0 |
| + | Part C Rebates Allocated to Part B Premium Buydown | MA 6 | L27 | | | \$0.0 |
| + | Part C Rebates Allocated to Part D Basic Premium Buydown | MA 6 | L28 | | | \$0.0 |
| + | Part C Rebates Allocated to Part D Supplemental Premium Buydown | MA 6 | L29 | | | \$0.0 |
| + | Total Basic Bid | PD 5 | D19 | | | \$0.0 |
| - | Basic Part D Premium | PD 7 | F21 | | | \$0.0 |
| + | Prospective federal reinsurance | PD 7 | F27 | | | \$0.0 |
| + | Prospective low-income cost sharing subsidy* | PD 7 | F28 | | | \$0.0 |
| | Total Medicare Payments | | | \$0.00 | \$0.00 | \$0.0 |
| | Part C Projected Risk Score | MA 5 | E16 | | | |
| | Part D Projected Risk Score | PD 3 | H11 | | | |

Note that the Prospective low-income cost sharing subsidy as reported on PD Worksheet 7, cell F28 is calculated on a per

CY 2025 VBID Model Application: Submission Page



Parent Organization (PO)

Please enter the name of your PO as it appears in the Health Plan Management System (HPMS).

Introduction & Orientation

Thank you for your interest in applying to participate in the Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model for CY 2025. This site is designed to allow applicants to submit all completed VBID application materials including: (1) CY 2025 VBID Model Application Spreadsheet, (2) CY 2025 VBID Model Financial Application, (3) CY 2025 VBID Model Net Savings Template, and (4) any optional supplemental material(s) for CMS review.



CY 2025 VBID Model Application: Screening and Scoring

Phase 1 Review

- Application Completeness Review; and
- Screening for Eligibility and Program Integrity Risks.

Phase 2 Review

- Scoring of Application Content and Potential for Savings; and
- Determination for Provisional Approval

VBID Model applicants are responsible for ensuring that their applications are complete and accurate. Extremely limited opportunities will be provided to clarify responses where a reasonable attempt was made to fill out the response.

CMS will not consider exception requests as part of the CY 2025 application process.

MAOs and their contract-PBPs applying to participate for CY 2025 must strictly meet the eligibility criteria as outlined in the CY 2025 VBID RFA.



CY 2025 VBID Model Application: Scoring

| Scoring Category | Materials to Review | Max Points |
|---|--------------------------------------|------------|
| Application Content | | |
| Permissibility of Application Proposals | VBID App Spreadsheet: | 10 |
| | Tables 5.1.1-6.3.1 | |
| Support for Quality Improvement | Financial Memo and related documents | 10 |
| Health Equity Plan | VBID App Spreadsheet: | 10 |
| | Tab 4, All applicable questions | |
| Innovation | VBID App Spreadsheet | 10 |
| | Tables 5.1.1-6.3.1 | |
| Potential for Savings | • | |
| Value of VBID Benefits and/or VBID RI | Financial Memo and related documents | 20 |
| Programs | | |
| Expectation of Medical Cost Savings | Financial Memo and related documents | 20 |
| Support for Savings | Financial Memo and related documents | 20 |

Tips for a Seamless Application Submission

Find all resources on the VBID Model website:

 https://www.cms.gov/prio rities/innovation/innovatio n-models/vbid, including the Request for Applications, Application ZipFile link, and other materials.

Submit ONE application per Parent Organization:

Each MAO Parent
 Organization should
 complete one application
 inclusive of all the Model
 Components, contracts,
 and PBPs that they are
 proposing to include in the
 VBID Model.

Please reach out to the VBID team with questions:

 CMS is available for technical assistance. To request a meeting with the VBID Model Team, please email <u>VBID@cms.hhs.gov</u>. To aid in expedited scheduling, please provide requested times.



Important Dates

Reach out to CMS for technical assistance prior to March 29, 2024 at VBID@cms.hhs.gov

Submit your application via the **Submission Page** to CMS by 11:59 PM PT on **April 12, 2024**

Receive provisional approval in Mid-May 2024

Submit MA Bids, due 11:59 PM PT on June 3, 2024

Execute contract addenda for Model participation in September 2024

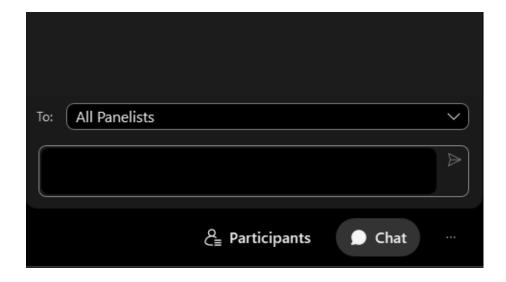


Question and Answer Session



Reminder: How to Submit Questions

- Questions can be submitted through the WebEx chat.
 - Select "Chat" followed by "All Panelists."
- The VBID Model Team will review submitted questions and provide answers.
 Some questions may require additional research, and will not be answered today.
- Additional questions may be sent to VBID@hhs.cms.gov





Thank you!

