



September 20, 2023

Meena Seshamani, M.D., Ph.D.
CMS Deputy Administrator and Director
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850

RE: Medicare Prescription Payment Plan Guidance

Sent via electronic mail to PartDPaymentPolicy@cms.hhs.gov

Dear Dr. Seshamani:

I am writing on behalf of the National Association of Benefits and Insurance Professionals (NABIP), formerly known as NAHU, which is an association representing over 100,000 licensed health insurance agents, brokers, general agents, consultants and employee benefits specialists. We appreciate the opportunity to provide comments on the Center's recently published sub-regulatory guidance on the Medicare prescription drug payment plan created by the Inflation Reduction Act.

NABIP members work daily to help millions of people and businesses purchase, administer and utilize health insurance coverage. Thousands of our members specialize in assisting Medicare beneficiaries with their coverage needs. As such, we are grateful for the opportunity to share feedback on this draft guidance. We've broken down our comments by topic, with the content developed by the members of our Medicare Working Group.

Program Intention, Integrity and Optimal Timeline

NABIP members who work directly with Medicare patients appreciate the intention of this program and this related guidance. Many beneficiaries have fixed incomes, and the program will provide financial assistance to many enrolled in Medicare. However, prescription-drug purchasing is confusing generally, particularly for many older Americans. While this program will be right for many, it will not be best for all, or in all circumstances. In order to ensure the integrity of the program, and to serve the best interest of affected beneficiaries, it will be imperative that all entities involved with rolling out this program are fully educated about all of its components. To do that effectively, we believe that your Center will need to accelerate its proposed implementation timeline and mandate prescription payment program education.

Currently, the proposed guidance and accompanying timeline state that CMS will finalize its guidance on outreach and enrollment in the payment plan program in the summer of 2024. However, brokers, issuers, pharmacists, SHIP counselors, providers, social workers and other entities who assist Medicare beneficiaries with their coverage and prescription-drug needs will need concrete details about the program and its implementation well before then. Helping seniors choose the appropriate coverage and educating them about how best to utilize their coverage is a complicated process. Each senior's particular prescription drug needs are especially complicated by factors such as geography, pharmacy network, medication dosage and delivery method and the fact that prescribed medications change so often. Adding a new layer of prescription drug payment assistance will be very helpful for many seniors, but it is critical that those who advise Medicare beneficiaries understand that program fully before they introduce it to their beneficiary clients. People who assist beneficiaries will need time to learn the program specifics themselves, then more time to build tools and resources to use when educating the Medicare population. These documents and other teaching and enrollment materials will need to be written in plain language and at an appropriate (sixth grade) reading level and translated as needed. This process will take time.

Additionally, from a broker's perspective, NABIP members believe appropriate education about this new program will be vital. Accordingly, we believe that specific details about the payment program and how it will work both for beneficiaries and on the back end needs to be part of the annual certification coursework all brokers who sell private Medicare products to seniors must complete. Not only should the overall details about the program be included in the NABIP and AHIP comprehensive training programs, but also each carrier offering Medicare Advantage and Part D products should be required to address how the payment program will impact their specific coverage options in the year ahead. Access to these certification programs typically opens in June. To ensure that the appropriate content is included in each of these certification courses, details will need to be finalized by CMS and made readily available to education providers by at least April 2024.

NABIP members recognize that finalized details about the new prescription drug payment program could be provided to agents later through a certification course amendment. However, after careful consideration, the members of our Medicare Working Group concluded that details about the new program are too important to be left to the amendment process. Medicare agents are not required to review the information in certification-course amendments, so we are concerned that too many agents will not absorb it before the program is fully launched in January of 2025.

Accordingly, NABIP members believe that the key to a successful launch and delivery of the prescription drug payment program will be an earlier release of all finalized guidance and requirements for program management and enrollment. For agents and brokers to be ready for the 2025 Medicare annual election period, which begins in the Fall of 2024, CMS will need to

have all details confirmed no later than April 2024. Our members can really only speak directly about Medicare agent training requirements, but we assume that access to finalized program details at an earlier pace than currently proposed will be beneficial and necessary for all other entities and individual who may advise seniors on their benefits and prescription-drug needs. It also will ensure understanding of the financial components for program integrity. If CMS believes that an accelerated timeframe is unrealistic, then we suggest that you give all due consideration to delaying its overall implementation until calendar year 2026. The new program and its potential to help seniors with confusing bills and dramatic expenses is great. It would be regrettable if expectations for the program were not met due to a lack of effective education and communication strategy.

Preserving the Program's Long-Term Financial Stability

In addition to ensuring a successful implementation of the prescription drug payment plan program, NABIP members are very invested in the program's long-term financial stability. To that end, our members have several suggestions to ensure that issuers are always fully compensated for the cost of prescription drugs that are subject to the payment plan program. First, we suggest that, much like beneficiaries may elect to have their Medicare premiums deducted from their Social Security payments, Social Security deductions be a payment option for beneficiaries to choose when opting into the monthly prescription drug payment program. Beneficiaries will appreciate this easy payment option, and issuers will appreciate the predictability of related payments.

Further, should beneficiaries fail to make their monthly payments and exceed their grace period, issuers should be permitted to institute Social Security deductions to recoup their costs. Otherwise, NABIP members are concerned some beneficiaries may unfairly take advantage of the new program resulting in issuers being forced to absorb their prescription drug costs. We also suggest that all enrollment material include explicit language about how beneficiaries may be disenrolled from the prescription drug payment program by their issuer should they fail to make their monthly payments on a timely basis. Similarly, we suggest that if an individual is disenrolled from the payment program for non-payment of monthly prescription drug cost installments, then that individual should not be permitted to enroll in the program with another issuer. Our concern is that individuals may enroll in the program with one issuer, particularly late in the year, fail to make their payments and then repeat the behavior during the next year with a different issuer.

Since beneficiaries with Part D coverage are apt to switch plans and issuers fairly regularly due to formulary and medication changes, we are concerned about issuers being stuck with unpaid bills from the prior plan year, particularly in the case for late plan year requests. Ultimately, the increased costs to issuers will be passed along to all consumers in the form of increased premiums. Private Medicare premiums are already on the rise, and beneficiaries cannot bear



additional cost increases. Further, if issuers encounter too much difficulty and costs in administrating the prescription drug payment program, they may opt to leave the service area, causing issues for all affected beneficiaries. This is especially true for Part D insurance issuers whose margins are not as strong as Medicare Advantage. Allowing issuers to easily recoup the costs they will be expending on the behalf of program participants and ensuring appropriate consequences for payment delinquency will go a long way toward keeping this program solvent and functioning for years to come.

We truly appreciate the opportunity to comment on this draft guidance, as well as your willingness to consider the viewpoints of all stakeholders. If you have any questions or need additional information, please do not hesitate to contact me at jgreene@nabip.org or (202) 595-3677.

Sincerely,

John Greene
Senior Vice President of Government Affairs
National Association of Benefits and Insurance Professionals