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**DATE:** March 23, 2020

**TO:** All Part D Sponsors and Medicare Advantage Organizations

**FROM:** Laura McWright, Deputy Director, Seamless Care Models Group  
Center for Medicare & Medicaid Innovation

**SUBJECT:** Part D Senior Savings Model Calendar Year 2021 Pharmaceutical Manufacturer Model Participation and Part D Sponsor Requirements

On March 11, 2020, CMS announced the Part D Senior Savings Model, a voluntary model that enables participating Part D enhanced plans to lower Medicare beneficiaries' out-of-pocket costs for insulin to a maximum \$35 copay per thirty-day supply. Today, CMS is announcing the following for the Part D Senior Savings Model for CY 2021:

1. Calendar Year (CY) 2021 Pharmaceutical Manufacturer Participation;
2. Part D Sponsor Requirements; and
3. Model Drug National Drug Codes (NDCs).

### **CY 2021 Pharmaceutical Manufacturer Participation**

CMS saw broad pharmaceutical manufacturer participation, with the following pharmaceutical manufacturers participating in the Part D Senior Savings Model:

1. **Eli Lilly and Company**
2. **Novo Nordisk, Inc. and Novo Nordisk Pharma, Inc.**
3. **Sanofi-Aventis U.S. LLC**

### **Part D Sponsor Requirements**

**Model Drugs:** Part D sponsors' participating plan benefit packages are required to offer a maximum standard copay of \$35 for a 30-days' supply, for both vial and pen dosage forms, for at least one of each of the following insulin types in the deductible, initial coverage phase, and coverage gap:

- rapid-acting insulin;
- short-acting insulin;
- intermediate-acting insulin; and
- long-acting insulin.

Part D sponsors meet Model requirements if the Part D sponsor's choice of formulary product line only has a vial dosage form or a pen dosage form for one of the above required Model drugs. As part of the

application, CMS will require Part D sponsors to provide a supplemental file of all Model drugs included on plan's formulary and the associated copay, which can be a maximum of \$35 for a 30-days' supply per prescription.

**Deductible:** Part D sponsors are reminded of the requirement that beneficiaries move through the deductible and initial coverage phases of the Part D benefit based on the total gross drug costs accumulated, which includes costs for drugs that might not be subject to a deductible. Unless otherwise noted in Model materials, plans should continue to report prescription drug event data according to current CMS guidance located in HPMS and on the Customer Support Services Contract (CSSC) website at <https://www.csscooperations.com>.

### **Model Drug NDCs**

Please visit the Model website at <https://innovation.cms.gov/initiatives/part-d-savings-model> for a complete list of Model Drug NDCs. The above participating manufacturers for CY 2021 included all marketed products under their respective labeler codes that are applicable covered Part D drugs that are, or contain, insulin, as classified in the American Hospital Formulary Service (AHFS) Drug Information or the DRUGDEX Information System compendia.