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August 3, 2023

Centers for Medicare & Medicaid Services
Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244

Re: Agency Information Collection Activities: Proposed Collection; Comment Request for Explanation of Benefits for Medicare Advantage and Medicare Part D [CMS-10453]

Dear Administrator Brooks-LaSure,

On behalf of the Alliance for Aging Research, thank you for the opportunity to provide feedback on the information collection request related to explanation of benefits for Medicare Advantage (MA) and Medicare Part D. Specifically, we want to call your attention to the opportunity for the Centers for Medicare and Medicaid Services (CMS) to utilize both the MA and Part D Explanation of Benefits (EOB) to educate and inform beneficiaries about the Part D annual \$2,000 out-of-pocket (OOP) cap in 2025 and the beneficiary option to utilize the new maximum monthly cap flexibility to “smooth” out OOP prescription drug costs over the plan year. On behalf of beneficiaries who will benefit from these provisions created by the Inflation Reduction Act (IRA), it is crucial for beneficiaries to have clear and accessible information to better understand their prescription drug costs and plan accordingly.

The successful implementation of these two provisions is critical. For many beneficiaries, the annual and maximum monthly caps will be among the most directly “felt” impacts of the IRA. Effectively communicating how beneficiaries will interact with these provisions should be one of CMS’s top priorities. The opt-in enrollment dynamic of maximum monthly caps increases the difficulty and the essential need for day one operational readiness. If a knowledge gap occurs due to the lack of patient education, it will undoubtedly lead to confusion, financial strain, and underutilization of the program benefits. Beneficiaries’ EOBs represent one of many venues for information delivery that CMS should utilize to mitigate and provide education around these new benefits and flexibilities.

In addition to informing beneficiaries about the maximum monthly caps and the need to opt into the program, the EOB will be critical in keeping Medicare beneficiaries that smooth

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medication OOP expenses informed as to what they owe and when. The IRA statute expressly enables Medicare Prescription Drug Plans (PDP) and Medicare Advantage Prescription Drug Plans (MA-PD) to disqualify beneficiaries from future use of smoothing due to nonpayment. The statute is particularly direct in allowing enrollees to be disqualified in cases of non-payment. The EOB can serve as a venue to communicate clear information and expectations of enrollees in terms of their participation in the maximum monthly caps program. As such, the EOB serves an important "patient notification" role in keeping beneficiaries apprised of their financial options and obligations to plans.

We strongly urge the CMS to include comprehensive information about the annual and maximum monthly caps programs within the EOBs received by Medicare Part D beneficiaries. We recommend that the information provided should clearly outline the eligibility criteria, coverage limits, and the process for beneficiaries to opt into the maximum monthly cap program. It would also be beneficial to include examples or scenarios that illustrate how the cap and smoothing program can alleviate the financial burden of high prescription drug costs. By doing so, beneficiaries will have a better understanding of how these programs work, the cost-saving and cost-management benefits they offer, and how they can utilize these coverage benefits to afford prescribed medications. Communication through the EOB and other venues will be key in helping beneficiaries to effectively utilize these benefits, and hopefully minimize non-compliance with care plans that can lead to harm and related additional costs to the beneficiary and to the health plan.

Thank you for the opportunity to comment on this important issue. We believe that beneficiaries should be empowered to make more informed decisions about their healthcare and financial well-being. Please do not hesitate to contact me at mward@agingresearch.org with any questions or concerns.

Sincerely,

A handwritten signature in brown ink that reads "Michael Ward". The signature is written in a cursive, flowing style.

Michael Ward
Vice President of Public Policy and Government Relations