

Advocacy Comments on CMS' Proposed Rule to Revise Medicare Part D

On January 12, 2022, the U.S. Department of Health and Human Services' Centers for Medicare and Medicaid Services (CMS) published a proposed rule revising the Medicare Advantage (Part C) program, and the Medicare Prescription Drug Benefit (Part D) program.¹ On March 7, 2022, Advocacy submitted the following comments on the Prescription Drug Benefit (Part D) program.

- Advocacy and small businesses are supportive of CMS' proposed rule. However; the proposed rule may have a significant economic impact on small pharmacies. CMS should therefore make modifications to ensure that small pharmacies do not incur high costs.
- Advocacy is concerned that without further clarification, pharmacy benefit managers (PBM) will be able to retroactively apply additional fees to small pharmacies. CMS should therefore take measures to ensure the proposed definition of "negotiated price" includes all price concessions from the PBM.
- To ensure that high-performing pharmacies are incentivized, and that they do not incur significant economic impacts from this rule, CMS should standardize performance measures so that these pharmacies are not losing money. This change would provide a true incentive to high-performing pharmacies.
- CMS should require PBMs to offer payment plans, or other alternatives to ensure that, due to the new rule, small pharmacies do not incur cash flow problems that are detrimental to their operations.

For more information, please contact Assistant Chief Counsel Linwood Rayford at (202) 401-6880 or at Linwood.Rayford@sba.gov.

¹ Medicare Program; Contract Year 2023 Policy and Technical Changes to the Medicare Advantage and Medicare Prescription Drug Benefit Programs, 87 Fed Reg. 1842 (January 12, 2022).