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DATE: August 11, 2017

TO: All Medicare Advantage Organizations (MAO), Prescription Drug Plan (PDP) Sponsors, Medicare-Medicaid Plans, and 1833 & 1876 Cost Plans

FROM: Amy Larrick Chavez-Valdez
Director, Medicare Drug Benefit and C & D Data Group

SUBJECT: Retail Pharmacy Network Access and Preferred Cost-Sharing Pharmacy Network Access Analysis Results for Q2 of CY 2017

Part D sponsors may now access the data from CMS's Q2 2017 retail pharmacy access analysis in HPMSⁱ. CMS's data source for this analysis was the Medicare Plan Finder data as posted on April 24, 2017 (sponsors submitted data April 10-11, 2017) and analyzed plans' entire networks and preferred cost sharing pharmacy (PCSP) networks, if offered. CMS asks that you review the results for your plans.

CMS will use this analysis to identify sponsors that are 2017 PCSP access outliersⁱⁱ. CMS will review the sponsors' marketing materials to determine if the required PCSP outlier disclaimerⁱⁱⁱ was used appropriately. Sponsors identified as PCSP access outliers and who did not use the PCSP outlier disclaimer may receive compliance or enforcement actions. Note the PCSP analysis is not applicable to Medicare-Medicaid Plans.

Information on PCSP access levels for each plan offering a preferred cost sharing benefit structure is available on CMS.gov. The data will be posted on the CMS webpage, <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/index>.

If you have any questions concerning the analysis results for your organization, contact CMS by August 31. We intend to publish the access results after the review period. Please send any such questions or concerns after reviewing your plans' results to PartD_Monitoring@cms.hhs.gov.

ⁱ To access the Part D retail access data in HPMS, select: "Quality and Performance," > "Performance Metrics," > "Retail Pharmacy Access Data," > "Pharmacy Network Access Data."

ⁱⁱ 2017 Call Letter (Pg. 185) – excerpt. For urban areas, PCSP access outliers are those plans offering access to a PCSP within 2 miles of fewer than 40% of beneficiaries' residences. For suburban areas, this would be plans offering access to a PCSP within 5 miles of fewer than 87% of beneficiaries' residences. For rural areas, plans that offer access to a PCSP at a rate lower than the current retail pharmacy convenient access standard of access within 15 miles of fewer than 70% of beneficiaries' residences are considered outliers.

ⁱⁱⁱ 2017 Medicare Marketing Guidelines, Section 50.18 – Pharmacy/Provider Directory and Formulary Disclaimers