



NewsBREAK | Feb. 16

HHS Announces the Selection of Drug Models

On Feb. 14, 2023, in response to Executive Order 14087 (“Lowering Prescription Drug Costs for Americans”), HHS announced the selection of three new health care payment and delivery models that the Center for Medicare and Medicaid Innovation (CMMI) will test relating to the prescription drug provisions of the Inflation Reduction Act (IRA), with the intent of lowering drug costs and promoting access to innovative drug therapies.

The three models include:

- **The Medicare High-Value Drug List Model**
 - Part D Sponsors would be encouraged to offer a Medicare-defined standard set of about 150 high-value generic drugs for chronic conditions that have a maximum copayment \$2/month supply across all phases of coverage until the out-of-pocket (OOP) limit.
- **The Cell & Gene Therapy Access Model**
 - State Medicaid agencies and selected prescription drug manufacturers may partner with CMS to administer outcomes-based agreements (OBA) to increase access to high-cost specialty drugs (e.g., CGTs for sickle cell or cancer). CMS is responsible for implementing, monitoring, reconciling, and evaluating the financial and clinical outcomes outlined in the OBAs.
- **The Accelerating Clinical Evidence Model**
 - CMS would adjust Part B payment amounts for drugs approved under the Accelerated Approval Program (AAP) to incentivize manufacturers to expedite and complete confirmatory clinical trials and improve access to post-market safety and efficacy data.

CMMI will develop and test the three models and will engage with beneficiary and caregiver advocacy groups, manufacturers, health insurers, health care providers, academic institutions and researchers, and other interested parties for feedback and input.

CMMI will also be evaluating potential models in the following areas:

- Accelerating Biosimilar Adoption
- Data Access Changes to Support Price Transparency
- Cell and Gene Therapy Access in Medicare Fee-for-Service

See the report for additional information.

More on This Topic

- [Report](#)
- [Fact Sheet](#)
- [FAQs](#)

-
- [Press Release](#)
 - [Executive Order 14087](#)

For questions, please reach out to [Tyler Thorne](#).

AMCP | 675 North Washington Street, Suite 220 | Alexandria, Virginia 22314
Please [manage your emails here](#).

