Centers for Medicare & Medicaid Services
CY 2026 Part D Bid Review Out-of-Pocket Cost Model FAQs

1. **Question:** Does the Centers for Medicare & Medicaid Services (CMS) offer any alternative methods for calculating Out-of-Pocket Cost (OOPC) amounts for plan sponsors that do not have access to PC SAS?

   Answer: CMS does not offer alternative tools for calculating OOPC values for sponsors that do not have access to SAS. We recommend that you continue to use the tools/methodology that you employed for calculating OOPC values for contract year (CY) 2025.

2. **Question:** What are the changes in the CY 2026 Part D Bid Review Model compared with CY 2025 Baseline Model?

   Answer: The CY 2026 Part D Bid Review OOPC Model is an update of the CY 2025 Part D Baseline OOPC Model delivered in December 2024. For the CY 2026 Part D Bid Review OOPC Model, the items listed below summarize the changes that have been made.

   - Updated the Part D policy parameters (deductible, out-of-pocket threshold, etc.) to CY 2026 values.
   - Updated the 0.1% sample of Part D beneficiary drug utilization to a 2023 sample.
   - Updated Prescription Drug Event (PDE) data for use in the drug price calculation. The CY 2025 Part D Bid Review OOPC Model uses 2024 PDE data.
   - Updated the Part D input data using the initial CY 2026 Formulary Reference File (FRF), released in March 2025 for 2026 bidding.
   - Updated the SAS programs to account for the CY 2026 Plan Benefit Package (PBP) data structure and variable (object) name changes
   - Updated the SAS programs to account for modified Enhance Alternative TrOOP accumulator logic.
   - Updated the SAS programs to incorporate the Maximum Fair Price (MFP) for the ten selected drugs for applicability year 2026
   - Updated the SAS programs to effectuate the covered insulin product "lesser of" cost sharing logic. The model will effectuate this as the lesser of the following: (1) the PBP submitted insulin copay (not to exceed $35 per one month supply); (2) an amount equal to 25 percent (or less, as submitted in the PBP) of the MFP established for a covered insulin, as applicable; (3) an amount equal to 25 percent (or less, as submitted in the PBP) of the plan negotiated price.

3. **Question:** Will the CY 2026 Part D Bid Review OOPC Model work with older versions of SAS or SAS versions other than PC SAS (e.g., SAS running on UNIX or Mainframe)?

   Answer: The CY 2026 Part D Bid Review OOPC Model has been tested on PC SAS Version SAS 9.4 TS Level 1M7 which includes the LIBNAME engine for JSON (the model also can be run using SAS Enterprise Guide). CMS cannot guarantee a successful run on older versions of SAS or SAS running on a different environment.

4. **Question:** Will the CY 2026 Part D Bid Review OOPC Model run on a networked version of SAS?

Answer: The model code is platform independent and should be able to be run in a network environment.

5. **Question:** What is the approximate amount of free disk space necessary for the model to run?

   Answer: It has been recommended that the model requires at least 3GB of RAM and about 30GB of free disk space. However, the actual disk space requirements depend on the number of plans being run at one time and the particular hardware/software configuration of a user. In some cases, additional free disk space may be needed.

6. **Question:** Does the CY 2026 Part D Bid Review OOPC Model require administrative rights on the computer to run?

   Answer: Administrative privileges are not required to run this model on a PC.

7. **Question:** Does the CY 2026 Part D Bid Review OOPC Model require any SAS add-ins to run? Is base SAS 9.4 sufficient?

   Answer: Base SAS 9.4 with TS 1M7 with a built-in LIBNAME engine for JSON is needed to run the model.

8. **Question:** How can organizations obtain information about policy related questions regarding standards for PDP meaningful difference and MA Total Beneficiary Cost (TBC)?

   Answer: Organizations are encouraged to review the information provided annually by CMS and, if necessary, submit questions to the following mailboxes:

   - For Part C policy-related questions, such as Total Beneficiary Cost (TBC), please submit inquiries to the MA Benefits Mailbox at: mabenefitsmailbox.lmi.org
   - For Part D policy-related questions about meaningful difference, please submit an email to PartDBenefits@cms.hhs.gov
   - For technical questions about the Bid Pricing Tool, please submit an email to Actuarial-Bids@cms.hhs.gov
   - For technical questions about the OOPC models, please submit an email to OOPC@cms.hhs.gov