

# 5 Things to Know About CMMI's Final GLOBE Model

**1** The final GLOBE (Global Benchmark for Efficient Drug Pricing) Model will test Most-Favored-Nation (MFN)-based rebates in Medicare Part B. The mandatory model will run for five performance years starting April 1, 2027, plus two additional years for invoicing and reconciling rebates. Voluntary data submission by manufacturers will begin January 1, 2027. GLOBE will include geographic areas representing 25% of Part B beneficiaries, and based on the final rule, **CMS expects only four manufacturers to participate in the model**, and the agency reduced the savings estimate from \$11.9 billion to \$440 million.

**2** A subset of Part B drugs subject to the Part B Inflation Rebate are included in GLOBE. The subset includes single source drugs and sole source biologics primarily used in oncology, rheumatology, immunology, ophthalmology, and endocrinology that reach \$100 million annually in allowable Part B charges.

**3** CMS expanded the list of exclusions in the final model. The final list of exclusions includes drugs with a Medicare Drug Price Negotiation maximum fair price (MFP) in effect, drugs to treat a rare disease with no indications for non-rare diseases, some cell and gene therapies, plasma-derived products, and biosimilars and their biologic reference products (once a biosimilar is on the market). CMS also explicitly stated it anticipates waiving participation for manufacturers in the voluntary GENEROUS Model. Importantly, CMS noted that some “authorized generics and unbranded biologics” subject to the Part B Inflation Rebate Program that do not meet other exclusion criteria could be included in the model, though **most generics are generally excluded from the Part B Inflation Rebate Program**.

**4** GLOBE will test whether using international pricing to calculate the benchmark price for the Inflation Rebate will generate savings for Medicare. The GLOBE Model includes two methods to calculate the benchmark price: (1) using commercially available data to determine the lowest country-level price among the 19 reference countries, and (2) using voluntary manufacturer-submitted data to determine the average international price among the set of reference countries. Where applicable, GLOBE will use the **greater** of the two benchmark prices.

**5** CMS finalized the 19 countries that make up the country set used to calculate the international pricing benchmark as proposed. This includes Australia, Austria, Belgium, Canada, Czechia, Denmark, France, Germany, Ireland, Israel, Italy, Japan, Netherlands, Norway, South Korea, Spain, Sweden, Switzerland, and the United Kingdom.