



NEW CMS RULES FOR PART D
PRESCRIPTIVE AUTHORITY
AND PRESCRIBER VERIFICATION

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5789521 CONFIRM

COMPLIANCE
VERIFICATION

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Disclosures

- Daniel Schofield is an employee of Health Market Science. The conflict of interest was resolved by peer review of the slide content. He declares no other conflicts of interest or financial interest in any product or service mentioned in this program, including grants, employment, gifts, stock holdings, and honoraria.

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Learning Objectives

Following this presentation, attendees should be able to:

1. Identify the various components and regulations related to Prescriptive Authority rules.
2. Describe why it is important for pharmacists to maintain compliance with these rules.
3. Describe the components of the new CMS rules for 2015 that are related to filling prescriptions.
4. Explain their impact to the fill process, and general impact to prescribers' participation in the part D program.
5. Describe strategies that can be used to manage prescriber regulations most efficiently within the fill workflow.
6. Explain why each strategy is necessary to ensure complete operational prescriber compliance.

Medicare Part D Regulations for Prescri

Prescriptive Authority What to Do?

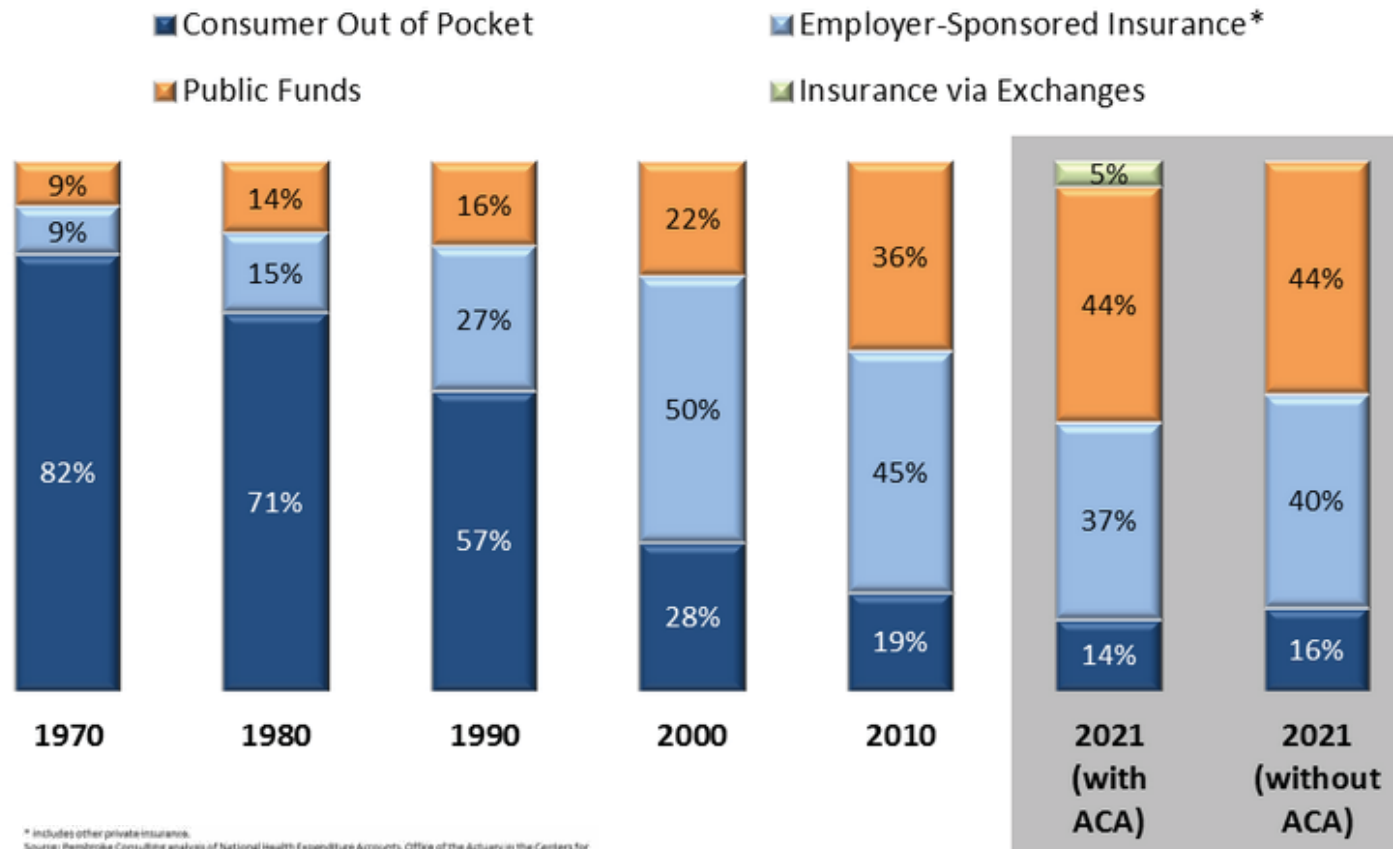
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Government Spending in Healthcare

Affordable Care Act

Source of Payment for Retail Prescription Drugs, 1970-2021



* Includes other private insurance.
 Source: Pembroke Consulting analysis of National Health Expenditure Accounts, Office of the Actuary in the Centers for Medicare & Medicaid Services, June 2012; Pembroke Consulting estimates for Exchanges in 2021. Out-of-pocket expenditures equal cash-pay prescriptions plus copayments and coinsurance.
 Published on Drug Channels (<http://www.drugchannels.net>) on June 21, 2012.

Recent CMS Requirements

- 2011 – OIG Sanctioned Prescriber
- 2012 – Active and Valid NPI, Active and Valid DEA, DEA Schedule
- 2013 – Individual NPI only
- 2015 – Medicare Part D Enrollment



CMS Advanced Rule 2015

Prescriber must have prescriptive authority according to “state law”

- Enrollment verification process
- New file for Part D sponsors
- Improper prescribing practices (multiple) = revocation from Part D
 - › *To be covered under Part D, Medicare requires that a drug be dispensed upon a prescription that is valid under state law, that the drug meets the definition of a Part D drug, and that it be prescribed by a valid prescriber for a medically accepted indication.*
- Expansion of PDE elements available to public (pharmacy, prescriber, payer)

State Sanctioned Doctors

- 20 states publish Medicaid Exclusions lists:
 - › AL, CA, CT, FL, ID, IL, KY, MD, ME, MI, MN, MS, NE, NM, NY, OH, PA, SC, & TX
- State reciprocity
 - › *[The State Medicaid agency] Must deny enrollment or terminate the enrollment of any provider that is terminated on or after January 1, 2011, under title XVIII of the Act or under the Medicaid program or CHIP of any other State*
 - › +Medicare reciprocity
- State board sanctions



Prescriptive Authority Overview

State level regulations enforced

- State license
- +Controlled substance
 - › Federal
 - › State
- +Resident & student
- +Data waivers
- +Third party
- +Out-of-state prescriptions



Who is this?
Are they able to write this Rx?

Prescriber State License

The authoritative source identifying practitioners' rights to prescribe

- Type
- Status (inactive, restricted, retired)
- Authority

- For Example:
 - › In Texas, there are three different levels of optometrist.
 - › Psychologists can prescribe in two states.
 - › Expiration grace periods:
 - Latent sources
 - Allow for renewals



Third Party Regulations

Different rules for each payer

- Implementation of grace periods
- Taxonomy as prescriptive authority
 - › NPPES inaccuracies
 - › Not the intention
- Data source frequencies (out of sync)
- Interpretation/implementation of reject and SCC codes



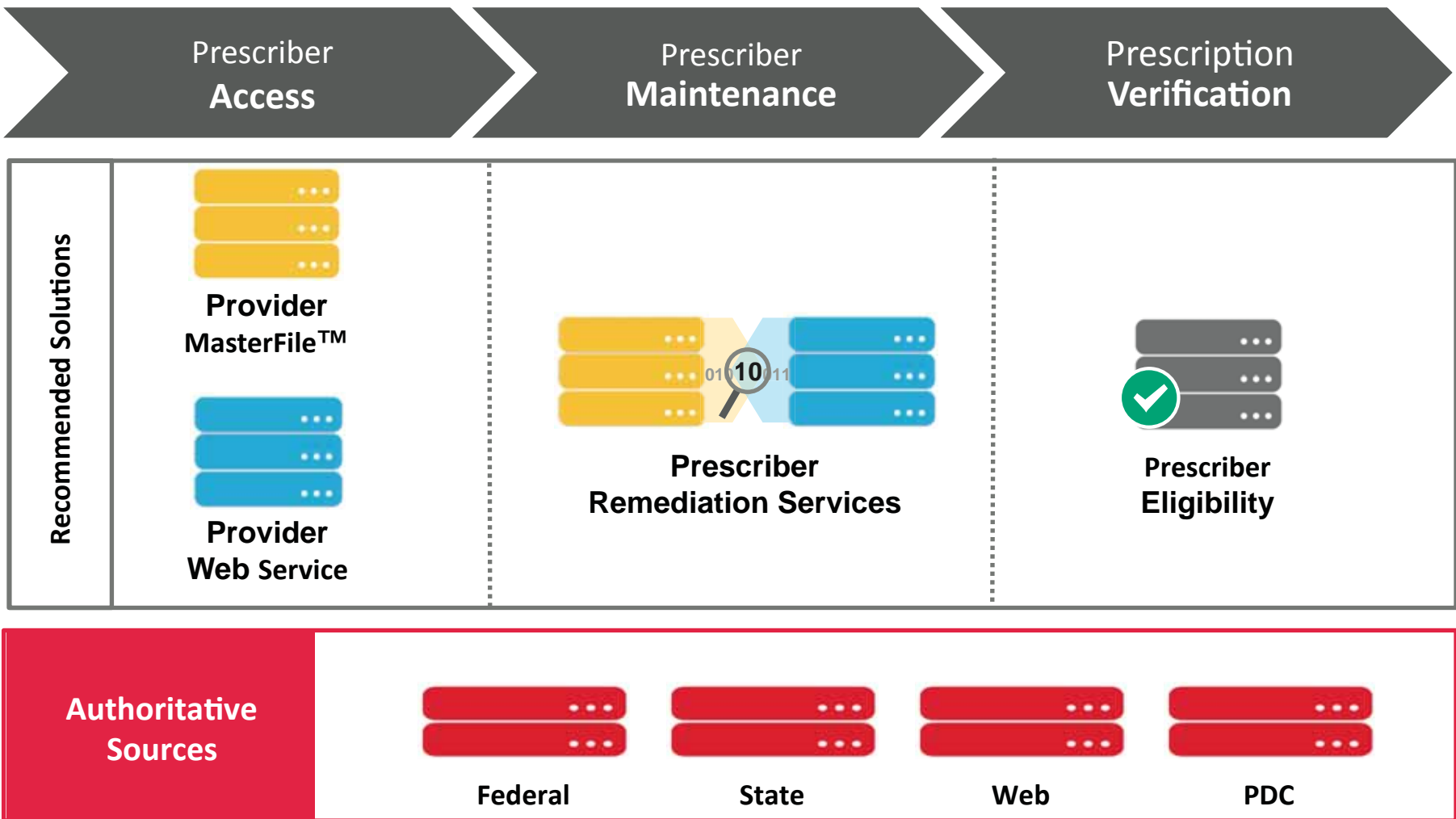
Residents & Students

- Hospital DEA number affiliation
- Address and rotation



Solutions in Operational Compliance

Three important steps in the prescriber compliance puzzle



Access to Comprehensive Data

Authoritative source information critical to defend audits

Primary Data Sources

- 363 state licensing agencies and boards
- DEA
- NPPES (NPI)
- OIG, GSA, State Medicaid (Sanctions)
- SSA (Death File)
- SureScripts

Example State License Availability: Annual Frequencies

| | MD | DO | PAS | DEN | ODR | DPM | DVM | RPH | DCH |
|--------------------------------------|----|----|-----|-----|-----|-----|-----|-----|-----|
| Florida | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 |
| New York | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 | 52 |
| California | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Pennsylvania | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| ...50 states plus DC and Puerto Rico | | | | | | | | | |

Configurations Tools Needed

Prescriptive authority, third party, state

| State ▲ | Credential ◆ | Default Prescriptive Authority ◆ | Default Grace Period ◆ | Overrides Prescriptive Authority | Overrides Grace Period | Action |
|---------|--------------|----------------------------------|------------------------|----------------------------------|------------------------|--|
| FL | RPH | No | 7 | | | <input type="button" value="Yes"/> <input type="button" value="No"/> |

Traceability

Transaction Details

Transaction ID: **DEMO17**

System ID: **1386365142909**

Rx #: **292**

Refill Type: **NEW**

Prescriber

Checks

NPI

State License

DEA

Sanctions

Response

Action

Message

| | | |
|--------|--------|--|
| SSNC | REJECT | Prescriber sanctioned by state |
| CSNC | REJECT | Prescriber sanctioned by CMS |
| DRI | REJECT | Inactive DEA registration |
| PSI | REJECT | Inactive state license |
| SOS | INFO | State license issued from outside the pharmacy state |
| MSNCI | INFO | Prescriber sanctioned by state - In State |
| MSNCO+ | INFO | Prescriber excluded from Medicaid. Out-Of-State. Sanction after 1-JAN-11 |
| MSNCO | INFO | Prescriber excluded from Medicaid. Out-Of-State |
| MSNC | INFO | Prescriber sanctioned by Medicaid |



Regulations Increasing
Enforcement Increasing
State Rules More Strict
Tools Are Needed

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Thank you.

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