Surviving Pharmacy Utilization

Hospice Pharmacy Benefit Management
Hospice and Prescription Medication

- Who pays for a hospice patient’s prescription medications? When will Medicare Part D plans be responsible for coverage of prescription drug medications and when will the traditional Medicare hospice payment sources apply? With the advent of Medicare Part D, this question, always tricky, will get trickier.
Hospice Care

Hospice Care is available to Medicare beneficiaries who have been diagnosed with a terminal illness who have a life expectancy of six months or less, when the patient elects the hospice benefit they waive the right to curative care related to the terminal illness.
Medicare Part D

• As of January 1, 2006, some prescription drug coverage is available to Medicare Beneficiaries under the new Medicare Part D
• Plans have a formulary and non-prescription medications are usually not covered.
• All injectables and Intravenous solution require a prior approval
Is the Medication related to Palliation of the Terminal Illness?

Curative medication is not covered by the Hospice Program

If Chemotherapy is for the purpose of shrinking the tumor so as to decrease the pain, then it is palliative and should be billed to the beneficiary’s hospice program.
Is the medication related to the terminal Illness

• If the Medicare has a non-terminal medical condition for which they were receiving a medication that was covered by Part B or Part D. The medication should be continued to be billed to that source. Examples; nebulizer medication, Multiple Sclerosis injections or Insulin for diabetes.
• Medication for the non terminal chronic condition is always covered by Medicare Part D.
Eligibility and Enrollment

• Individuals are eligible to drug coverage under Part D if they are signed up for benefits under Part A and Part B

• Generally not all drugs are covered, there is a tiered system of formularies, with incentives to choose generic and less expensive drugs.

• Medicare Beneficiaries must enroll in Part C or Part D plan to participate in the Federal-government-subsidized drug program
Part D Plans

• Plan administrators must offer the standard minimum benefit or one actuarially equivalent, or my offer more generous benefits.

• Each plan is approved by CMS before being marketed.

• Medicare has made available an online toll called Medicare Plan Finder to make comparisons by state for costs and benefit design.
Excluded Drugs under Part D

- Drugs used for Anorexia, weight loss or gain
- Drugs used for fertility or erectile dysfunction
- Cosmetic Drugs (hair growth, etc.)
- Drugs used for symptoms of cough or cold
- Prescription Vitamins and fluoride preparations
- Drugs where the manufacturer requires tests and monitoring services.
Cost to Beneficiaries

- Initial coverage limit of $2970, $325 deductible and 25% co-insurance
- Once limit is reached the total out of pocket expenses reach $4,750 this is called “Donut Hole”
- The patient is then eligible for catastrophic coverage which is calculated on a yearly
- Under the Patient Protection and Affordable Care Act of 2010 the “Donut Hole” coverage gap will be reduced
Plan Formularies

• Part D plans are not required to pay for all covered Part D drugs. The establish there own formularies.

• Formularies must conform to the benefit structure approved by CMS and follow the classed established by the US Pharmacopoeia.

• Plans formulary are organized into tiers, the lowest cost drugs have the $5 copay and the highest $100
Implementation Issues

- Pharmacy drug plans are focused on low cost drugs while providers are rewarded for quality of care.
- Plan can grant exceptions for medically necessary drugs however the rule denies beneficiaries to request tiered exceptions for high cost drugs.
- Lack of standardization among the plans, coinsurance, and prices vary widely.
- Standards for electronic prescribing conflict with regulations in many US states.
Criticisms

• By design of the program the federal government is not permitted to negotiate drug prices with drug companies.

• The VA pays 40-58% less for drugs because they can negotiate drug prices and establish a formulary.

• Former Congressman Bully Tauzin, R-La., who steered the bill through the house, retired and took a $2 million job as president of PhRMA a lobbying group.
Hospice Drugs & Medicare Part D

• Prescription drugs to be covered under Part D when hospice has been elected the drug must be for the treatment and condition that is completely unrelated to the terminal or relate condition. The drug is also unrelated to the terminal prognosis of the patient.

• Services covered under the Medicare hospice benefit must be reasonable and necessary for the palliation and management of the terminal illness and related conditions.

• There are no regulatory specifications of services that are unrelated to hospice care because of the wide variation of each patient’s circumstance. These clinical evaluation are made on a case-by case basis.
Prior Approval for Hospice Part D Medications

- The hospice provider will be responsible for coordinating with the Part D plans for those drugs they believe are completely unrelated to the terminal illness and related condition to determine payment responsibility.
- CMS strongly encourage sponsors to place beneficiary-level PA requirements on only four categories of Prescription drugs identified by the OIG: Analgesics, antinauseants (antiemetics), laxatives, and antianxiety drugs (anxiolytics)
- In such instances the hospice provider or prescriber will immediately provide the Part D Plan with written Documentation necessary to satisfy the prior approval. If there is a disagreement either may contact t
Nursing Facilities & Hospice

- Nursing facilities and Hospices typically have a formulary of drugs frequently used for pain management and related conditions.
- The hospice decides which medication to be carried in the formulary that meet the needs of the patient.
- It is expected that the hospice provide non-formulary drugs when they are necessary for desired outcomes.
- If the patient requests a drug that has an equivalent in the hospice formulary they will assume financial liability. These medications cannot be billed to Part D.
Abuses and Criticisms

- CMS has always been concerned with hospice and relations with nursing homes citing duplication of services and that drugs covered on Part A Hospice benefit are being billed to Part D inappropriately.
- According to an analysis performed on behalf of CMS in 2010 over 750,000 hospice patients enrolled in Part D, 15% received analgesics through Part D totaling $13million.
- Analgesic billing was concentrated among certain types of hospices. 10% of the hospices accounted for over 50% of the part D analgesic claims.
- These hospice providers were typically for profit, new and rural. Over 50% of the claims for analgesics were for hospice patients residing in nursing facilities.
Recommnedations

- Medicare Part D plans have been very cooperative once a definitive process is in place with the hospice provider.
- An electronic and manual process must be in place to audit duplication billing in the nursing home.
- The hospice should use a PBM to monitor activity and a clinical technician to audit pharmacy billing.
Pharmacist Review of Medication Profiles
Formulary Tracking
Prescription Monitoring
Palliative Care / Symptom Management

End of life Care
Pain Management
Palliative Care
Symptom Management
Pain Management

- PCA’s – continuous intravenous delivery

- Analgesics
  - Opioids (Morphine/Fentanyl/Dilaudid) etc.
  - Non-Opioids (Naproxen, Ibuprophen)

- Duragesic Patch
Hospice Pharmacy Prescription Management Program

Community Clients

- Same day delivery for new orders through Avanti card
- Refills delivered next AM
- On-call 24 hours/7 days a week for emergency medications.
- Comfort Pack (Facility Specific)
- Drug utilization review
- Drug regimen review for Conditions of Participation and regulatory compliance
- Pharmacy consulting on symptom management
- Computerized web connection for order entry and reports
- Approved Hospice Formulary

**Outlier Drugs**

1. Outlining a defined procedure for approving outliers
2. Designate a gatekeeper
Hospice Pharmacy Program

Residence Clients:

- Provide a medication cart to the unit.
- Supply medications - delivered on a bi-weekly/weekly cycle.
- Medications will be dispensed in unit dose packaging.
- Comfort Pack (Facility Specific)
- Drug Utilization Review
- Drug regimen review
- Pharmacy Consulting on Symptom Management
- Approved Hospice Formulary
- Computerized web connection for order entry and reports.
**Hospice Pharmacy Program**

**Nursing Home and Community Clients**

- Prescription card for medications shall be provided to both nursing home and community clients (on admission) upon request.

- The Prescription Card provides access to multiple pharmacies
  1. Local pharmacies in the surrounding areas
  2. Provides access to STAT medications

- Prescription Drug Card Formulary
  1. Cancer/AIDS, Cardiac, Lung, Other, 4+ Other
Customized Internet Connection

- Web Connect (Demo)
- Instant Eligibility
- CMS 8538 Report
- Customized Utilization Reports
- Reports emailed Monthly
Collaborate with the Health Care Team
Goal is to provide each patient:

- With the highest quality care
- In a safe & supportive environment
Look For A Full Service Pharmacy
Prescription Management Program
IV Infusion/Compounding/Dispensing

Experts in reducing pharmacy and administrative costs by dispensing with efficient utilization and cost containment with the ultimate goal of extraordinary end of life care.
Patient data submitted to Pharmacist; information is entered electronically into pharmacy database FROM THE HSOPICE SOFTWARE

Physician/Nurse orders medications from The e-prescribing Formulary

Pharmacy dispenses medication; checks for drug interactions, formulary verification

Medication delivered

Billing submitted to PBM

Billing, Utilization Review reports generated

Claims checked and processed

PBM generates bill

Electronic processing and storage in host system

Appropriate follow-up provided

Patient profile assessment generated and sent to primary nurse

PHARMACY BENEFIT MANAGEMENT SYSTEM