

## **Medicare Part B Drug CAP Physician Election in 2006**

CAP physician election ended on June 30, 2006; however, physicians who are new to Medicare have 90 days to elect to participate in the CAP.

Physicians must return completed Physician Election Agreement forms by mail to their local carrier. **DO NOT MAIL COMPLETED FORMS TO CMS HEADQUARTERS IN BALTIMORE, MD.**

The CAP is open to Medicare physicians, who administer drugs under the "incident to" provision in their offices; (The term physician includes individuals who are authorized to provide services under the Social Security Act and who can within their State's scope of practice, prescribe and order drugs covered under Medicare Part B.)

Physicians must elect to participate in the CAP program annually.

If a physician chooses to participate in the CAP, they must agree to the following conditions:

- Share information with the approved CAP vendor to facilitate the collection of applicable deductible and co-insurance.
- File CAP drug administration claims within 14 days of administering the drug.
- Timely and appropriately pursue appeals for CAP claims that are denied because of medical necessity issues.
  - Provide support to approved CAP vendors for administrative appeals of drug administration claim denials, including supplying medical records and written statements.
  - Accept assignment for CAP drug administration claims.
  - Notify the approved CAP vendor when a CAP drug is not administered.
  - Agree to comply with emergency drug replacement rules.
  - Agree to requirements of the 'furnish as written' provision.
  - Maintain an inventory for each CAP drug obtained.

When members in a group practice bill Medicare using the group's Physician Identification Number (PIN), or National Provider Identifier (NPI) when available, they must commit as a group practice to participate in the CAP. In order for a physician to "buy and bill" separately from the group he or she must not have reassigned his or her benefits to the group, and must be billing using his or her

individual PIN, or NPI when available. If a physician in that situation elects to participate in the CAP as an individual, he or she would complete the CAP physician election form with his or her individual PIN, or NPI when available, and other requested information.

Physicians must annually elect to participate in the CAP program.

Once a physician has elected to participate in CAP, they must obtain all drugs on the CAP drug list from their chosen drug vendor with exceptions for furnish as written, and in emergency situations.

For 2006, the category contains approximately 180 drugs, commonly administered in a physician's office. A list of the CAP drugs will be made available on the CMS website at:

<http://www.cms.hhs.gov/CompetitiveAcquisforBios>

Physicians elect a CAP vendor for the calendar year and cannot change CAP vendors unless certain circumstances exist. A physician can withdraw from the CAP only when:

- A CAP vendor terminates their participation in the program. The physician can choose a different CAP vendor or can withdraw from the CAP, or
- A physician leaves a group practice and establishes a "new" practice, the new group or provider will have 90 days from enrolling to select a CAP vendor, or
- A physician is no longer able to obtain drugs for a beneficiary from the approved CAP vendor because of the beneficiary's failure to pay applicable cost sharing.

### **Completing the Physician Election Form**

- Physicians must download the form and complete pages 1, 5 and 6 of the agreement. If additional practice sites exist (if the practice operates from and expects to administer CAP drugs at more than one address), use additional copies of page 6 to list the additional practice addresses and the physicians who practice at the other location(s).
- An authorized official as defined in the physician election form must sign page 5 and mail a completed election form with an original signature to the physician's local carrier.
  - An authorized official is an appointed official to whom the provider has granted the legal authority to enroll it in the Medicare program, to make changes and/or updates to the

provider's status in the Medicare program and to commit the provider to fully abide by the laws, regulations and program instructions of Medicare. The authorized official must be the provider's general partner, chairman of the board, chief financial officer, chief executive officer, president, direct owner of 5% or more of the provider, or must hold a position of similar status and authority within the provider's organization.

- Local carriers will only process the election agreement if it is filled out completely and correctly.
- Practices that submit claims to multiple local carriers will need to submit a separate election agreement to each carrier.
- New physicians will have 90 days to elect to participate in the CAP.
- Local carriers will forward the physician election information to the Designated Carrier who will inform the approved CAP vendor of the physicians that have elected them.
- When members in a group practice bill Medicare using the group's Physician Identification Number (PIN), or National Provider Identifier (NPI), when available, they must commit as a group practice to participate in the CAP. In order for a physician to "buy and bill" separately from the group he or she must not have reassigned his or her benefits to the group, and must be billing using his or her individual PIN, or NPI when available. If a physician in that situation elects to participate in the CAP as an individual, he or she would complete the CAP physician election form with his or her individual PIN, or NPI when available, and other requested information.