

## **2007 CAP Physician Election Guide-updated March 2007**

The Medicare Part B Drug Competitive Acquisition Program (CAP) is an alternative to the Average Sales Price (ASP) method of acquiring many Part B drugs and biologicals administered incident to a physician's services. 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.

The following information is intended as a guide to the CAP physician election process. Additional information may be found in the links in the text below or by going to the CAP website at <http://www.cms.hhs.gov/CompetitiveAcquisforBios/>

### **Drugs supplied under the CAP**

Physicians who participate in CAP must obtain all drugs on the CAP drug list from their chosen drug vendor with exceptions for drugs supplied under the "furnish as written" provision, and drugs supplied in certain emergency situations.

For 2007, the CAP will continue to operate with one geographic area and one drug category containing approximately 180 drugs commonly administered in a physician's office. A list of the CAP drugs is available in the Downloads section of the following CMS CAP webpage: [http://www.cms.hhs.gov/CompetitiveAcquisforBios/15\\_Approved\\_Vendor.asp](http://www.cms.hhs.gov/CompetitiveAcquisforBios/15_Approved_Vendor.asp) . Be sure to select the most recent list of drugs.

### **Other Conditions of Participation:**

Physicians who choose to participate in the CAP must also agree to:

- Share information with the approved CAP vendor to facilitate the vendor's collection of applicable deductible and co-insurance.
- File CAP drug administration claims within 14 days of administering the drug.
- Pursue, in a timely and appropriate manner, 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.
- Comply with emergency drug replacement rules.
- Agree to requirements of the 'furnish as written' provision.
- Maintain an inventory for each CAP drug obtained
- Provide the CMS CAP Fact Sheet to beneficiaries receiving drugs under the CAP.

## **Group Practices and CAP Election**

When members of a group practice bill Medicare using the group's Physician Identification Number (PIN), or National Provider Identifier (NPI), they must commit as a group practice to participate in the CAP.

## **Opportunities for Physicians to Participate in the CAP in 2007**

- The **first 2007 physician election period** for the CAP began on October 1, 2006 and was scheduled to conclude on November 15, 2006; CMS extended the election period until December 1, 2006.
  - Physicians whose forms were postmarked by December 1, 2006, were eligible to participate in the CAP effective January 1, 2007.
- An **additional second physician** election period for 2007 will begin on May 1, 2007 and end June 15, 2007.
  - Physicians whose forms are postmarked on or before June 15, 2007, will be eligible to participate in the CAP effective August 1, 2007. Effective dates for physicians who elect to participate during the additional period will be from August 1, 2007 through December 31, 2007.
  - Please note that the additional physician election period is only for new CAP elections. It is not necessary to renew CAP election at this time. Requests for termination from the program that are submitted on a physician election agreement form during the 2007 additional physician election period will not be accepted.
- Physicians who are new to Medicare have 90 days to elect to participate in the CAP.
- By law, physicians must elect to participate in the CAP program annually. This means that if you are currently participating in CAP you must reaffirm your election for 2008 and subsequent years. An opportunity to renew CAP election will occur in the Fall

- of 2007. Please do not submit your 2008 CAP election renewal during the May 1 to June 1, 2007 additional election period
- Physicians not currently participating in the CAP and who do not wish to participate in the CAP at this time are not required to take any action.

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

- Physicians must download the form and complete pages 1, 4 and 5 of the agreement. Use additional copies of page 5 if more than 15 physicians are listed for one location and check the box at the bottom left of page 5 to indicate that additional pages for that location are being submitted.
- 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 5 to list the additional practice addresses and the physicians who practice at the other location(s).
- CHANGES TO THE 2007 FORM. PLEASE NOTE: the form's content is the same as the form used in 2006; however, typesetting changes have decreased the form's length. The CAP will continue to operate with one drug category and one approved CAP vendor. The 2007 form may be filled in directly on the screen and then printed, but the typed information cannot be saved.
- To create additional copies of page 5, fill in primary office information including the checkbox then print the entire form. Verify that the printed information is correct. Clear the information on page 5 only, type in additional physicians' information and/or practice locations, then print page 5 only. Please do not submit an entire form for each additional practice location.
- Please keep a copy of your signed and dated election form for future reference.
- An authorized official as defined in the physician election form must sign page 4 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.

### **Where and When to Return the Signed and Completed Form**

- Physicians/groups must return a completed CAP Physician Election Agreement form by mail to their local carrier. Include "ATTENTION: CAP PHYSICIAN ELECTION" in the address.
- Your local Medicare carrier's address may be found at [http://www.cms.hhs.gov/MedicareProviderSupEnroll/Downloads/contact\\_list.pdf](http://www.cms.hhs.gov/MedicareProviderSupEnroll/Downloads/contact_list.pdf).
- **DO NOT MAIL COMPLETED FORMS TO CMS HEADQUARTERS IN BALTIMORE, MD.**

### **DEADLINES FOR THE ADDITIONAL 2007 PHYSICIAN ELECTION PERIOD:**

- Do not mail election forms for the additional election period before May 1, 2007.
- 2007 election forms for the additional election period must be postmarked no later than June 15, 2007 in order to qualify for a CAP effective date of August 1, 2007.

### **CMS-855 Medicare enrollment vs. CAP Election**

The Medicare provider enrollment and the CAP election are separate but linked processes. If you or your group have not continuously updated your 855 applications when changes have occurred, your CAP election form data may not match with the data in the Provider Enrollment and Chain/Ownership System (PECOS). Your local carrier may reject your CAP election agreement form if it does not match with PECOS. CMS-855 forms are available from your local carrier or via CMS at: <http://www.cms.hhs.gov/CMSForms/CMSForms/list.asp>

## **Termination of Participation in the CAP**

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

- A CAP vendor terminates their participation in the program during the annual physician election period, which occurs in the Fall. 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, or
- THE FOLLOWING OPTION IS NOT AVAILABLE DURING THE MAY 1 to JUNE 15, 2007 ADDITIONAL ELECTION PERIOD: A physician indicates "Terminate CAP Election" on the Physician Election Agreement form during the annual physician election period.