

**Ask the Contractor Teleconference for the Competitive Acquisition Program
for Part B Drugs and Biologicals**

**June 12, 2006
1:00 p.m. CDT**

Centers for Medicare & Medicaid Services Speakers

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Moderator Ladies and gentlemen, thank you for standing by. Welcome to the Ask the Contractor teleconference for CAP. At this time all participants are in a listen-only mode. Later we will conduct a question and answer session. Instructions will be given at that time.

I would now like to turn the conference over to our host, Paul Orth.

Please go ahead, sir.

P. Orth

Thank you, Operator. Welcome to the Ask the Contractor teleconference for the Competitive Acquisition Program for Part B drugs and biologicals. Our amount of time allotted today is 1:00 through 2:30 central time, or corresponding in other time zones.

What we'd like to do is we'll go through a brief introduction. Noridian will go over an overview of the program and will have comments and some questions and answers from the previous Ask the Contractor call from our guests that are at CMS in the Baltimore locations. And then we'll turn it over to the callers for questions and, hopefully, answers.

So, welcome and we will be going through to 2:30 central time. This is Paul Orth from Noridian. We are the designated contractor for the CAP Program. I'd just like to make an announcement is that in order for physicians to learn more about the competitive acquisition program the CAP Program has extended the physician election period to cover the period June 3rd through June 30th 2006.

The first election period was held from May 8th through June 2nd with those physicians who elected the CAP Program to be effective July 1,

2006. Those who choose the CAP Program from the extended period from June 3rd through June 30th will be effective August 1, 2006.

With that information we will go ahead and turn the program over to Kathy Milbrandt of Noridian to give us a CAP overview. Kathy, please.

K. Milbrandt

Thank you, Paul. We would just like to take this opportunity to cover a brief introductory presentation that was made available on CMS's Web site for download. So hopefully everyone downloaded that and that can be found at the CMS Web site at cms.hhf.gov and if you type in CAP and in the search field the first link will bring up the Competitive Acquisitions Program Web site. Once you click on that, if you go to information for physicians the presentation was made available in PDF in a zip file format under the download section. So hopefully everyone was able to download that presentation.

The legislation of Section 303 of the Medicare Prescription Drug Improvement and Modernization Act, or MMA of 2003 did require the implementation of a CAP program for Part B drugs and biologicals. This program does give physicians a choice between buying and billing under

average sale price or obtaining drugs through a selected vendor in a competitive bidding process.

Some drugs included in CAP are most, but not all, injectable and infused Part B drugs most commonly furnished in an office setting. New drugs can be added to this program. Participating physicians must receive all of the approximately 180 drugs through the selected approved CAP vendor. There is one exception that was in the rule and that is a Furnished As Written situation. Furnished As Written is when medical necessity requires a patient to have a specific NDC for a drug.

Physicians that are eligible for the CAP program must be enrolled as a current Medicare Part B provider with an authority to prescribe or order Medicare Part B drugs. They must provide drugs incident to a physician's service in an office setting.

And also remember if a group elects to participate in CAP, all members of the group must select CAP if the members have reassigned benefits to the group and are billing under the group PIN.

Also wanted to go over the CAP timeline for 2006. BioScrip was chosen by CMS as the approved CAP vendor. The initial physician election period went from May 8th through June 22nd and physicians who elected CAP during that time frame will begin participating on July 1, 2006.

Because of the short time frame of CAP implementation CMS did want to allow extra time for physicians to select the CAP so an extended physician election period is opening up from June 3rd to June 30th 2006 and any physicians who enroll during this time frame will begin participating in CAP on August 1, 2006.

Again, most of you are probably aware provider participation in this program is voluntary and as I stated the initial election period went from May 8th through June 2nd. Subsequent election periods will begin each fall and will last 45 days with a January 1st through December 31st agreement period and new physicians that enroll in Medicare will have 90 days to participate in CAP so when a new physician signs up with Medicare they're going to have that 90 days to choose to participate in the CAP program.

During this extended period from June 3rd through June 30th a reminder to mail your physician election forms to your physician's local carrier.

Anyone who is not sure where to mail these to on slide seven we do list out a URL address on CMS' Web site. That individual can look up certain local carrier's address and then you can mail it in to them. But just remember to mail it in to your current local carrier for the physician election form.

On slide eight, when choosing to participate in this program a physician is agreeing to some certain conditions and just want to touch on a few.

You'd agree to bill the drug administration within 14 days of administration date; you'd agree to pursue appeals; comply with Furnished As Written and Replacement provisions; submit a written order and maintain a separate inventory of drugs and not to transport drugs from one location to another. More information on the CAP participating physician requirement can be found on the physician election agreement.

Also when choosing to participate physicians are agreeing to give the beneficiary the CMS developed fact sheet. The fact sheet is available in English and Spanish versions on CMS's Web site with the URL listed on slide nine and you can find that in the download section.

So if you choose to participate you're going to need to give your beneficiary this fact sheet, which explains to them what this program is and that they'll be getting two remit notices and just to give the beneficiary some education.

Also to note that any patients who have Railroad Medicare, United Mine workers, or Medicare Advantage beneficiary would not be included in CAP Programs so any of those beneficiaries you'd buy and bill as you do now under average sale price.

CMS does have some guidelines for CAP drug shipments and the approved CAP vendors are aware of these guidelines. For locations in the continental U.S., Alaska, Hawaii, the U.S. Virgin Islands, Puerto Rico routine deliveries should be received within two business days while emergency deliveries will be received in one business day. And for locations in Guam, American Samoa and Northern Mariana Islands, routine deliveries should be received in seven business days and emergency deliveries in five business days.

As Paul had stated, we wanted to have another Ask the Contractor call for this because of the extended physician election period and to allow time for you to ask questions. The first Ask the Contractor conference for CAP was held on May 11th and that transcript is available on CMS's Web site for download and the URL address is listed on slide 11. On slide 12 there is a list of some CAP change requests that physicians should take note of and staff members should review.

To keep informed about the Program on slide 13 you see some URL addresses for the CMS and NAS Web sites. On CMS CAP Web site it does have information for physicians. There's a link to BioScrip, the approved CAP vendor Web site. There's a link to the CAP regulation.

The physician election agreement is found on CMS Web site and on slide 13 we list out that URL address where that is found. And remember, physicians must download that form and mail to your current local carriers and for that extended physician period from June 3rd through June 30th all forms must be postmarked by June 30th.

Also we did list out our Noridian Administrative Services Web site and this does have information for approved CAP vendors as well as

information for physicians, which for physicians we'll link to CMS's Web site to gain information on anything that physicians would need to know.

Some key points to keep in mind about physician election; go out to CMS's Web site to review the CAP physician election agreement; review the NDC list to determine which forms of drugs will be provided and that list is found on the CMS CAP Web site after clicking on the approved CAP vendor. If choosing to participate download the election agreement and mail to your current physician local carrier and for decisions that are part of a group it is important to ensure all group members are listed on page six so that Physician Election Agreement Form.

Slide 15 through 23 we did want to provide you additional information for CAP, but we wanted to allow physicians an opportunity to get all their questions answered we wanted to allow ample time. We would like to limit each question to be one question and, obviously, if you have a follow-up question you can definitely ask at that time and then call back into the queue for additional questions, but we want everyone to have a chance to ask their questions.

But before we open up the line for question and answer session we do have CMS individuals from the centers for Medicare and Medicaid services on the line today to assist with questions you have and I would like to turn it over to them to go over some questions that they have received.

A. Bassano

Thanks, Kathy. This is Amy Bassano from CMS and I have here with me the other members of the CAP team at the agency who've been working on this project and we appreciate Noridian hosting this call. We'd all like to answer as many questions of yours as possible today. Some things, though, may be better appropriately answered by BioScrip so we would refer you to them and their Web site for additional information. Their Web site is www.BioScrip.com. Their 800 number is 866-366-7915 and I'm aware that they're also holding their own call where you can ask them questions on June 22nd I believe between one and three p.m., but you can get additional information through their Web site.

We also when announcing this call provided an opportunity for people to ask questions ahead of time and we did receive a number of questions and did want to take this opportunity to answer those that are most sort of general interest and use for the physician community just trying to make

decisions whether to elect into CAP. I'd like to turn it over now to Edmund Kasaitis who will answer those questions.

E. Kasaitis

Good afternoon, everyone. We wanted to take a few minutes to respond to some of the questions we received in the MMA 303D Drug mailbox. Today we're going to respond to questions that are most relevant to the physician community.

We also wanted to acknowledge receiving several detailed questions about the CAP and Medicare and also situations also known as brown bagging where a drug is purchased outside the office and brought in for administration.

For the brown bagging issue we will respond on the CAP Web site shortly. For the Medicare situation we will also be disseminating information on the CAP to Medicaid state agencies.

To get right into the questions, the first has a lot to do with drugs. We had several people who were asking about which drugs and which kinds of drugs are available through the CAP. Kathy Milbrandt just talked about that, but I just wanted to re-emphasize a few things.

The CAP is going to consist of approximately 180 drugs that are commonly supplied under Part B. We also wanted to remind physicians that the CAP is intended to serve Medicare beneficiaries as Part B drugs are administered incident to a physician's visit. Therefore the CAP primarily covers injectable drugs. Drugs administered through durable medical equipment, such as nebulized aerosols and drugs usually dispensed through pharmacies, such as oral immunosuppressives are excluded from the CAP.

Radio pharmaceuticals are also excluded from the CAP at this time. A list of specific drugs that will be furnished under the CAP can be found on the Information for Physicians pages of the CAP Web site and you've already had the URL given out for that. Those drug lists are also available in a slightly different form on the approved CAP Vendors' Web site, and that's BioScrip.com.

We also had a question about ambulatory pump refills in the CAP. There's a relatively recent CR that has just come out on that and it states the payment for drugs furnished incident to the filling or refilling of an

implantable pump or reservoir is determined under ASP methodology. So therefore medications given through these devices also fall under the CAP.

The next question, “Can CAP drugs be purchased in bulk at the price posted on the CAP Web site?” The answer to that is no. We remind physicians that the CAP is intended to minimize the amount of inventory that a physician must acquire. Prices posted on the CAP Web site represent what Medicare has established as payment amounts for the drugs acquired through the CAP. We’re not looking to provide a means for ordering drugs ahead through this program.

Next question, “Can CAP drugs be administered in other office locations and other places that the physician may provide services?” The answer is that CAP regulations and physician election agreement specifically state the CAP drugs may not be transported to practice locations or places of service other than where they were shipped. So in other words, CAP drugs must be shipped to the practice address where they will be administered.

We had several questions about groups enrolling in the CAP and we just wanted to remind you that there’s some very specific language on the

physician election form. It states that if a physician group practice using a group billing number elects to participate in the CAP all physicians in the group elect to participate in the CAP when billing under the group billing number.

Next question, “How can I find out details about the CAP drug ordering process, details about shipping and other details about how the approved CAP vendor will supply CAP drugs to the office?” These specific operational questions and details about how the approved CAP vendor will supply drugs are available through the CAP Vendors’ Web site. If you have any very specific questions about services, shipping and other operational details, I suggest that you contact the approved CAP Vendor BioScrip direction. Once again, the 800 number to contact them directly is 1-866-366, 7915.

We also had some questions about physicians being notified when they’ve been enrolled in the CAP; physicians will be notified or BioScrip, the approved CAP vendor, will notify physicians at least several days prior to the start of participation, both for the July and the August start dates.

We’re aware that certain beneficiaries who are scheduled for courses of drug therapy will require CAP drugs in the first several days of

implementation. Therefore we suggest that physician's offices contact the approved CAP vendor to confirm transitional details, if they've got patients that are going to require CAP drugs very early on.

I had a question about will participation in the CAP affect billing CPT codes associated with the administration of drugs. The answer to that is no and payment rates for the administration of drugs won't be affected by participation in the CAP.

Also we had a question about using drugs from physician's stock and if these drugs are used and then replaced by the approved CAP vendor will the physician have to wait until a prescription order number is available until they submit the claim. The physician would order the replacement drug using the normal ordering process. They'd have to let the physician know that it's replacement drug and then submit their claim once the prescription order number is known.

Finally, a beneficiary question. Beneficiaries' responsibility for additional cost sharing; there will be no additional cost sharing with the CAP. The co-insurer's percentage remains at 20%. The actual amount of co-insurance might vary slightly from what has been paid under the CAP

program due to minor differences between CAP and ASP prices and those differences are primarily due to quarterly ASP price updates.

Also, for Medicaid patients the payment amount required by the state is not affected by participation in the CAP. Please remember also the cost sharing will be billed and collected by the approved CAP vendor.

One final additional point concerns the availability of the beneficiary fact sheet. Participating CAP physicians are required to provide the CMS CAP beneficiary fact sheet during the Medicare beneficiary's first visit to the physician's office subsequent to the physician beginning participation in the CAP. We'd anticipated availability of the printed versions in mid-June, but we've been informed that the printed copies will only be available in July. Therefore physicians who begin participation in the CAP on July 1st will have to download those fact sheets from the physician's page on the CAP Web site.

That concludes my section.

A. Bassano

Thanks, Edmund. Kathy, I think we're done from here. Unless you have something else, I think we're ready to take questions.

- K. Milbrandt I think we're ready to open up for Question and Answers. Operator, can you open up for the question and answer session?
- Moderator Thank you. We'll move to our first question.
- M I'm calling with a clarification from the last conference call in regards to the JW modifier for drug wastage and I just wanted to clarify if the current carrier does not require a non-CAP physician to bill with the JW modifier for drug wastage if the physician elects to enroll in the CAP program will he still not be required to bill with the JW modifier?
- Audrey This is Audrey from Noridian and that is correct. If your local carrier does not require the use of the JW modifier you do not have to start using it just because you are participating in the CAP program.
- M And a follow-up; is there any idea how many physicians have enrolled? Can that be disclosed in the CAP Program up to this point?
- P. Orth This is Paul from Noridian and that's something that will be disclosed at a later date, but we're not able to disclose that number at this time.

A. Bassano Operator, before we go on to the next question, this is Amy from CMS again, just a reminder if people could identify themselves and also limit their questions to one question so we can try and answer as many people's questions as possible. We're ready for the next question now.

J. Carlson Hi. My name is John Carlson and I'm calling from Covance in Gaithersburg, Maryland. I had a question about the last slide on today's presentation. There's a reference to the NDC number on the drug administration claim. Is that something that will be required on all claims, both paper and electronic and if so, where on the paper claim would providers report that?

Audrey This is Audrey from Noridian. And the NDC number is a required field only when submitting electronics. To submit the prescription number you must submit the NDC number at the same time, but the prescription order number on paper claims is only in box 19.

J. Carlson Okay. Thank you.

M. Rechar dig Hi, this is Mike Rechar dig from New York. I guess some people know how to do the process, the administrative paper work or online involvement for each patient. Where would we find that or how is that handled?

Audrey I'm sorry; could you clarify your question?

M. Rechar dig We just want to know the nuts and bolts. I know how to do the election part of signing up, the process, but when we send out a prescription or if we enroll a patient or going through we want them to receive a drug, how do we process that for each patient? I guess someone had just mentioned you have to fill in the NDC number, but does that have to go online this paper work? Where do we find this paper work?

Audrey This is Audrey from Noridian and if I'm understanding your question, during normal claim submission to your local carrier the information as far as claim submission would be found in a couple of CMS change requests, which are located in the slide, but some in particular are number 4064 as well as 4309.

M. Recharidig And that would tell me; because we go through the information on the CAP Program, but I didn't see where it tells you, because I heard that the paper work to do this is considerable. That's what is concerning me so I just want to make sure when I put 20 patients, 50 patients in going through the process that it's not going to be really crazy for everybody here.

A. Bassano Audrey, this is Amy. Can you run through sort of the basic ordering process? I think that may help clarify this caller's question.

Audrey Sure. Some of the basic ordering information that the approved CAP vendor will request - and this information can be found on BioScrip's Web site - is they will ask for an initial form to be completed with some pertinent information regarding who you are, what patients you'll be seeing and those types of things. Also a drug order, which will include the date of the order, the beneficiary's name, address, your PIN number, the drug name, the strength, the dosage; similar to like you do in order today. And that information is located on BioScrip's Web site going through that particular process.

As far as claim submission into the Medicare claims arena, the physician would go ahead and do normal billing like you normally do for the

administration and then there will be a no pay drug line, which will be identified with the new modifiers J1, which includes the drug HIC PIC code, the J1 modifier, which indicates it as a no pay line and then normal processing would happen at that point in time. Did that help to clarify that question?

M. Rechar dig

Yes, it does.

A. Bassano

And just to add, you can contact BioScrip for more information about the detailed specifics of what fax number, how to actually get an order transmitted and they can help you answer those questions.

G. Cotter

My name is Greg Cotter. I'm from Alabama. Some of the hospital systems in our state that have a disproportionate share hospital in their system are utilizing those hospitals through the 340B Discount Drug Buying Program to basically circumvent the CAP type programs. As you know in that 340B Program there's a 50% or thereabouts discount on drugs and biologicals and what they do is they hire the local medical oncologist and then they can share the profits from that deep discount with the physicians and it really is causing the playing field to become very unlevel.

And I was just wondering if CMS has any comment on how to close that loophole where you can buy drugs at 50% discounts through the 340B Program and then pass them on to Medicare and private insurers at a high markup?

A. Bassano This is Amy Bassano from CMS. We don't administer the 340B Program so I'm not familiar with the details of that. Our sister agency HERSA does that. But I guess I would say that CAP is an option for physicians who are not happy with the buy and bill system so if a situation like this, if it's not working for you we would encourage you to take a look at CAP and see if it could better suit the needs of your patients and your practice. We can share your concerns with our colleagues at HERSA, but really can't speak to the details of what's happening under 340B.

G. Cotter I appreciate that, but I think there needs to be some kind of resolution of this, you know, virtually all the medical oncologists in our community have now left their private practice groups and gone to work for hospitals that have the 340B discount and I'm just not sure that the CAP Programs are going to offer that same 50% discount.

A. Bassano Well, under CAP the physician doesn't need to purchase the drug. That's the role of the vendor; the vendor purchases the drug and bills Medicare for it and the physician orders it and does not have to worry about purchasing or getting whatever price they can for the drug.

G. Cotter I understand your point. I think the issue, though, is that the profits in the field of medical oncology are largely tied to the drug markup profits and, for example, within our community I know medical oncologists are making over a million dollars a year. Now that's after their expenses; I know the majority of that money is coming from drug markup.

A. Bassano Well, thanks for your comments. We appreciate hearing that. Operator, could we have the next question, please?

Moderator And we'll move to our next question.

Shari Hi, this is Shari from Dyson, Alabama. I was trying to find out if there's going to have to be a prior authorization done for these drugs and if so, who is going to have to do that?

Audrey Currently for Medicare there are no prior authorizations, Medicare Part B, there are no prior authorizations necessary for any type of services for Part B. For these drugs there are not any prior authorizations.

C. Morton Good afternoon. My name is Curt Morton. I'm a nurse working at a behavioral health clinic in Richmond, Virginia. And I apologize if this was answered in the earlier conference, but I was not able to hear that. In Virginia we have Trail Blazers, which manages Medicare benefits and in this state, and I think in others where they work, they evoke a mental health limitations act and with that they limit the amount of money that's reimbursed for injectables under Part B and I'm wondering is Noridian going to be able to circumvent that and get a better rate of reimbursement?

P. Orth This is Paul from Noridian. And what you're saying is there's a limitation for the total amount of drugs that can be paid for in Virginia?

C. Morton In Virginia there is a limitation on the reimbursable rate. If you billed x amount of dollars for a drug, an injectable drug, under Part B in Virginia, in Virginia you're going to get paid less than you would get paid in Pennsylvania or somewhere else because of this mental health limitation act.

- A. Bassano Paul, can I just jump in here? Are you associated with the community mental health center?
- C. Morton Yes.
- A. Bassano Okay. CAP is only for physician offices so if a physician is billing through their individual practice they would be able to participate, but CMHCs and other types of facilities are not eligible to participate in CAP. So I think the situation you're explaining would not happen under CAP because it's physicians billing who are currently billing directly under the ASP and that's a national payment rate and I'm not an expert in CMHCs, but I think what you're describing is they get paid differently. So the situation you describe wouldn't apply under CAP.
- C. Morton Okay, it does not apply. So CAP is not really an option for physicians working out of community mental health centers in Virginia.
- A. Bassano Right. If they're in their own practice they could elect into it, but if they're associated with a facility like a community mental health center, rural health clinic, or hospital outpatient department they could not elect into CAP.

C. Morton What is your name again?

A. Bassano It's Amy Bassano.

C. Morton Can you spell your last name, please?

A. Bassano Sure. B as in boy, A-S-S-A-N-O.

C. Morton Thank you so much.

P. Orth Thanks, Amy.

A. Bassano Sure.

Moderator We'll move to our next question.

F. Martinell This is Fay Martinell from Eye Care for the Adirondacks in Plattsburgh,
New York and our question has to do with BioScrip and how they will
handle when a customer has a dose of medication billed out to them and

has not paid their patient responsibility portion of their bill and then needs more medication?

M

BioScrip as the approved drug vendor will establish a mediation system with that patient in order to encourage them to pay the correct co-pay amounts and that, of course, will be based on an individual patient's situation, but as a very, very last resort they may be able to not ship the drug for that patient. We don't foresee that happening except in a very, very rare instance.

So I guess BioScrip will work together with the patient to collect the correct co-insurances and we don't see the withholding of the drug as something will happen with any regularity at all.

C. Black

Yes, this is Cassandra Black. Under the CAP Program, the approved CAP vendor is required to have a co-insurance assistance program so if the beneficiary lets the vendor know that they need assistance in paying their co-insurance the vendor will share information with them about programs that are available for co-insurance assistance.

They may set up a payment plan. There are various steps that the vendor needs to go through if the beneficiary is not meeting their cost sharing obligations. After going through this defined process then if there is no source of assistance available for the beneficiary then the vendor can refuse to ship additional drugs for the beneficiary.

Audrey

And just to add on to that, Cassie, this is Audrey from Noridian; BioScrip has indicated also, too, that they will be making communication efforts to the beneficiaries also to help to explain who they are and also to explain the program to them to help the beneficiaries understand the entire process.

F. Martinell

Is there an actual listing of what the actual mandates are as far as the requirements to get approved for an application?

P. Orth

This is Paul from Noridian. So you're talking about the approval for drug payment assistance?

F. Martinell

Yes. Are there guidelines that we could review to see what your guidelines are set at?

P. Orth We would refer to BioScrip for those guidelines and BioScrip will be running a call later on in June, so we'd refer you to BioScrip on that process.

F. Martinell Thank you.

Moderator Caller, your line is open. Please check your mute button.

W Hi, I have a question. We are a physician office and we provide drug for a psychiatric facility. Is that covered under CAP?

P. Orth Can you please state your name and location, please?

T. Alman This is Theresa Alman with the Wexam Health Center.

P. Orth Thank you. And I'm going to paraphrase; your physician office supplies drugs to a?

T. Alman Psychiatric facility.

P. Orth Okay. I don't know your individual situation, but I know that the drug must be administered to the location to which it is sent by BioScrip. So in

that case I'm going to say unless you're in the exact same location, the answer would be no. And each drug order from the physician to BioScrip must be specific to a patient, have patient specific information on it. There's no such thing as supplies of drugs to be administered. Does that help?

T. Alman No, because we do have patient specific information that we supply injectables, we inject monthly or bi-monthly to these patients.

P. Orth Okay. Are those patients in the same location to which the pharmacy has delivered?

T. Alman We can have it shipped to the facility.

P. Orth Without any more specifics it sounds acceptable to me.

A. Bassano Paul? Theresa, did you send an e-mail to NMA303D box?

T. Alman Yes.

A. Bassano Okay. I think someone tried to get in touch with you to talk about this.

T. Alman My computer crashed.

A. Bassano We can follow up and address your situation off line.

T. Alman Okay.

A. Bassano Is there a better time to reach you. I'm not sure; did we leave a message?

We left a message.

T. Alman Yes, I tried to call and my computer crashed. I lost the e-mail response
and I tried e-mailing back and no one has responded.

A. Bassano Okay. We'll get in touch with you. We have your contact information.

T. Alman Thank you.

P. Orth Thank you, caller. Thank you, Amy. I didn't realize you had specific.

A. Bassano Yes, on this particular one. This was a question we had gotten through our
box and we had tried to contact the caller last week.

P. Orth Sure, that's good. Thank you.

E. Kasaitis One additional comment on that. We do stress that CAP drugs need to be shipped to the office location where they will be administered. That's rather a pivotal requirement and very important requirement there.

Moderator Caller, your line is open. Please go ahead.

Kajener Yes, hi. This is Kajener. I'm calling from Flemington, New Jersey. I had a question; on slide nine you have that railroad, United Mine Workers and Medicare Advantage beneficiaries are excluded from CAP. What is the reason why Medicare Advantage beneficiaries are excluded and how is CMS or the CAP vendor addressing the issue of drugs that fall under Medicare Part B and D?

A. Bassano I'll turn it over to Mark Newsom here at CMS.

M. Newsom The reason why Medicare Advantage plans are excluded from this program is this program is under the traditional fee for service benefit of Medicare and, of course, the Medicare Advantage benefit is a different benefit where health plans are paid a capitated payment by CMS and then

establish contracts with physicians that are separate and apart from the traditional Part A and Part B. And therefore the fee schedules for that including that for CAP are entirely different programs and can't be intermixed.

As far as Part D and Part B as employee differentials, there are a lot of complexities there and some guidance that I don't have available in front of me, but if you want to contact me at 410-786-3198 I can point you in the direction of all the information that's out there that adequately describes the complex interactions between Part D and Part B.

A. Bassano And just to add on to that, since these are physician administered drugs we anticipate that they would be Part B because they are being administered in a physician's office and if they are drugs that could be self-administered all of the local policies continue to be in place about whether or not they are on the not usually self-administered list so that would not change anything. CAP is not changing the policy at all there on what's a B or D drug.

Kajener Okay, thank you. If I could just get the gentleman from CMS's name, so I can contact him?

M. Newsom

Mark Newsom.

Kajener

Okay, appreciate it. Thank you.

W

Hi, I'm calling from an oncologist's office based in California. My question is that an oncologist basically decides that they're going to give six cycles of a particular medication. Does that have to be ordered at the same time or would it be ordered on a weekly basis or a bi-weekly basis?

Audrey

In sitting on the group CAP vendor's call and listening to their process, they have devised a process to make that particular situation easier for those types of longer therapy programs as far as to identify the range of the therapy as well as the information for that so I'm going to refer you to BioScrip and their Web site, as well as their call which will be coming up on June 22nd, to hear more about that particular process to make that easier for the physicians out in the community.

A. Bassano

And just to add on to that, in general there is flexibility about how the physician would choose to order the product and there are certain requirement on how fast things would have to be shipped. So if the

physician chose to wait until a closer, week four or five into it, they would be guaranteed that the product would be delivered, but as Audrey said, BioScrip has a process that they have specifically set up, but there is flexibility and not a specific requirement that you order all the product at once or as you go on. So there is flexibility in whatever works for the physician.

W Right, because the reason why we ask this question is that, as you know, treatment can change three cycles down the road and the patient hasn't responded so the physician may choose to do something else. And I know that, as you said at the beginning, the main onus of the program is to reduce the inventory on physicians so I thought that that would in some way help us.

A. Bassano Yes, definitely.

W Okay, thank you very much.

Lavar Hi, this is Lavar from Georgia and I was calling to ask the advantage of a physician using the CAP Program.

P. Orth This is Paul. I think that one of the big advantages is that it removes the physician from the buy and bill drug process and trying to collect the co-insurance and deductible amounts from patients.

Lavar The second part of my question is then are co-payments not accepted from patients? For instance, if there is a patient receiving a six-week course of Procrit you order the drug with the patient specific information, but you don't collect a co-pay even with Medicare Part D?

P. Orth I'm sorry; I didn't get an understanding of your question.

Lavar If a patient presents for a certain course, for instance, the Procrit; would you require that patient to pay a co-pay at each injection or we're not required to get a co-pay from the patient at all?

P. Orth I think that all applicable deductibles and co-insurances do apply to CAP drugs. I can't speak specifically.

W One point to point out, the CAP vendor cannot bill the patient the applicable deductible or co-insurance until after the claim has been processed and paid. So the beneficiary won't be charged any co-insurance until after their claim has been paid and processed.

Lavar And that will come from BioScrip?

W Correct.

Lavar All right. Thank you.

C. Black This is Cassie Black and just to add on to that, if the patient has supplemental insurance then the vendor would also need to wait for any supplemental insurance to pay before billing the beneficiary.

Lavar All right. Thank you. Have a great day.

Samantha Hi, this Samantha from Belmer's Clinic. And my question I think was just answered with that last question, but I was wondering are there any other billing restrictions for secondary insurance coverage basically?

P. Orth Secondary?

Samantha Or supplemental.

P. Orth Supplemental cross-over companies; all covered Medicare services would be cross-over and billed supplemental insurances very much as they are now. So we feel it will be a positive to the CAP Program.

Samantha Okay. Thank you.

Lisa Hi, my name is Lisa, from Illinois. My question is more for billing and coding edits. The concern is that the majority of the CAP discussion has been surrounding Medicare Part B primary beneficiaries. How, if applicable at all, will this affect claims for physicians who have Medicare Part B eligible secondary patients when they're purchasing and billing the medication to the commercial primary and the claim crosses over to Medicare as a secondary?

C. Black This is Cassie Black. The CAP claims would just follow normal cross-over processes. So if Medicare was secondary it would just process as it normally does today.

Lisa So does that mean that the CAP drug, if the physician is participating in the Competitive Acquisition Program and they want to administer a CAP drug, if the patient has a commercial primary and say the commercial has

a specialty pharma that isn't BioScrip that they wouldn't be able to get it through the CAP vendor. They'd have to purchase it and bill it on their own. Is that true?

C. Black Well, they would follow whatever the rules were for the primary insurer and then Medicare would be the secondary payer.

Lisa Okay. So the claims won't reject if that J code; will there be claim edits on these J codes that are selected on this list if they participate?

C. Black I don't know. Our understanding is that it would just follow normal secondary payer Medicare rules.

Lisa Okay. Thank you.

Chris Yes, my name is Chris. I'm calling from Florida. I have a question in regards to the non-payment of co-insurance and coverage. I understand that the payment relationship for the drug or biologic is with BioScrip and the patient so that if the patient doesn't pay within 45 days and they fall within certain criteria BioScrips can choose whether or not to write off or assist them with their co-insurance.

My question is for those patients who are going to fall through the cracks or for those patients who BioScrip says, no, you need to pay or we're not going to ship the drug, I know in the CAP final rule the CAP physician was able to switch vendors at that point, but since there's only one vendor how is that physician then supposed to treat that patient and bill for the drugs and then a follow-up to a comment that, I'm sorry I don't remember the gentleman's name made, physicians routine give care to patients and decide that they're going to eat the cost for the drug.

You mentioned that you anticipate that it will rarely happen that BioScrip will make the decision to not ship the drug. But it's a business decision that they're going to make, not a treating for patient decision like a physician would make. So I'm wondering where you got that data from as well, that you would rarely anticipate that.

P. Orth

So your question is there's no data available to say how often that would happen because it simply is an assumption about a new program. But I know that BioScrip, of course, whose job it is to provide drugs will work with the Medicare beneficiary and the applicable methods of payment to help them out, but I don't have any data to back that up. That was an assumption.

Chris This is Chris, with Noridian, and, Paul, maybe just to add; there are specific regulations that BioScrip must follow as part of the program that determine when they need to do the cost sharing and things like that, so there are regulations that BioScrip is going to be held to.

Chris Well, I understand if the patient is greater than 45 days, unless there's something that's not published, that if it's greater than 45 days a patient has gone before paying and they have not requested arch of information, BioScrip does have the option to withhold shipment of drug.

So my concern is greater than 60% of physicians give some form of this charity care where they decide, you know what, I'm going to eat the cost of this because I'll at least get paid the administration or I'll make it up on the drug margin on another drug. I have serious doubts that BioScrips as a business decision will make that same decision.

Then, again, my other question was how is the physician supposed to then bill and/or treat that patient if BioScrips says we're not going to ship it and the physician decides well, I'm not going to not treat my patient who needs this regimen of chemotherapy that's going to cost \$50,000.

C. Black Hi. This is Cassie Black. I think actually what we said in the rule is that if that situation occurred and the vendor went through the process of offering the co-insurance assistance information and waited the 45 days and if the beneficiary was still unable to meet their cost sharing information, then the physician has the option of opting out of CAP for that category and returning to the ASP system.

Chris Would it be just for that patient and for this first year it's just one category of drugs so would they be opting out of the program completely based on that one patient situation, or just for that patient?

C. Black No. For all of their patients for that category then the physician would revert to ASP and then could obtain the drug themselves and administer it to the beneficiary.

Chris So for this first calendar year they would drop out of CAP completely because there's only one category.

C. Black Correct.

Chris

Okay.

Moderator

We'll move to our next question.

Mary

This is Mary and I'm calling from Illinois. Did I hear you right when you said that community mental health centers could not be a part of this CAP program?

W

That is correct. Only physician offices can elect into CAP.

Mary

We have before us an overview for mental health providers and there's a section under Provider Eligibility that says that physicians that provide drugs and services within a community mental health center and bill Medicare for those drugs and services under their own U PIN may participate in a CAP. Provider participation is at the individual physician level with the exception of group practice arrangements.

And I believe that we do the group practice, hold on just a minute; okay, we do bill under each individual physician's number. Does that mean that we still could not participate in the CAP program?

W And you get paid under the ASP methodology?

Mary You know, I'm going to hand you to our financial person and if you would repeat that question, please.

W Hello?

M Yes.

W Hi, just trying to understand your situation. Do you bill under the ASP methodology?

M No. I don't know what that means so I presume my answer is no.

W You'd have to be billing for the administration and then billing the J codes.

M We do bill for administration, but we've never used the J codes.

W Right. So in order to participate in CAP you need to be able to bill each individual J code. I'm not familiar with the document that your colleague was referring to, so I'm sort of curious about that.

M Well, it's a document that we received from a pharmaceutical company.

W Right. So if it's not an official CMS document, it seems like they have their information incorrect.

M Okay. So CMH fees are not able to use this.

W Correct.

M Okay. Thank you.

Sharon Yes, this is Sharon called from Eye Care for the Adirondacks in Plattsburgh, New York. And I have the question, when are you anticipating the durable medical goods portion of the CAP program to be implemented?

W That's a separate program. They're a little behind us. I don't know their exact implementation date, but I know they're just writing their rules now. I think it's some time in 2007 or 2008.

Sharon

Thank you. And I had one more question. You also had said that the claim needed to be submitted within 14 days. What happens if a provider doesn't get submitted or the J code is not actually on the claim, what happens as far as that with payment reimbursement for you or for BioScrip?

Audrey

As far as the claim being submitted within 14 days, if the approved CAP vendor is going to be expecting that the physician is doing due diligence as indicated in the physician election form that they will be submitting their forms within the 14 days. If not, they'll be working with the physician and asking the questions of is there a reason that the claim is not submitted and if need be work with Noridian as the designated carrier to discuss the processes of submitting claims and those types of things.

The second question in regards to the billing of the J code without the modifiers at the local carrier level, your claim will be denied at the local carrier level if you have elected into CAP and have not submitted the appropriate modifiers. And the claim will be denied back to you as unprocessable and you will need to fix the claim and submit it back to the local carrier. Does that answer your question?

Sharon

Sure. Thank you.

Megan

Hi. My name is Megan. I'm calling from Health Services of Clarion in Pennsylvania. My question is whenever you use the emergency drug modifier and your drug comes back from BioScrip does that drug then just go into a regular stock that you can use, say, on Blue Cross/Blue Shield patients? Say you gave a patient an injection of Kenalog and you didn't know they were coming and you had to bill under the emergency modifier and you billed it, the restock come back in; would you just restock into just a general stock?

Audrey

I just wanted to (inaudible) to the emergency modifier and the BioScrip is replacing something that you have used out of your own personal stock. When they provide that drug back to you they will provide that to you so you can replace the inventory that you had taken from your own stock and you as a company or physicians' office will determine the use of it after that. Next question, please.

Diana

Hi, this Diana Colling from Community Mental Health in Lansing. My question goes back to a question that was just asked actually regarding the CMHs. We also have the pharmaceutical pamphlet that was handed out

that she read to you. My question is we do currently bill Medicare for the J codes and I think that was a question you asked and that's what we're being told; as long as we have been doing that that it really doesn't change and that we could participate in CAP under the individual physician's U PIN numbers or NIPs, whichever.

So that's my question; I'm trying to understand what the difference is with the CMHs.

A. Bassano This is Amy and I'm certainly not an expert on CMHCs, but I think from the CAP perspective, if you're billing your drugs because the benefit is that their incident to a physician's service and you're billing as a physician practice, then you can participate in CAP. But my understanding is, for CMHCs, - and, again, I'm not an expert here - is that there is more of a bundled payment that covers sort of the universe, the facility payment, the physician service, the drugs all together.

And if that's how you're billing and getting some sort of either capitated payment or per visit payment, then you would not be able to participate in CAP. But if you're billing on a regular form for Part D services that are incident to and the drug, then you can participate.

Diana Okay, and is there anything in writing regarding the CMHCs that you were talking about?

A. Bassano We may have addressed it in one of our regulations; I know we talked about facilities and CMHCs. I just don't recall it offhand. We can try and dig that up and put that particular language on our Web site as a reference.

Diana That would be great because I know they're going to ask me.

A. Bassano Sure.

Diana Okay. Thank you.

A. Bassano You're welcome.

Josh This is Josh from Illinois. I have a quick question or rather a clarification. For drugs that are going to be infused drugs through durable medical equipment, I understand that's going to be excluded, but what about drugs that use the disposable non-electrical, mechanical types of pumps, like the elastomeric pumps or infuser types of pumps?

P. Orth I think the answer to your question; I'm not going to be able to be 100% specific, but the CAP is covering drugs only not devices associated with the drugs. Does that answer your question?

Josh Can you repeat that? I'm sorry.

P. Orth The CAP covers only drugs that are provided incident to a physician's visit. We were not looking at devices and that would include tubing sets, syringes, and whatnot. They're not on that list of covered J codes.

Josh So if a drug is contained in a plastic bag, for example, that might be just infused through a gravity method, that would still be potentially part of the Competitive Acquisition Program?

P. Orth The drug part itself, yes.

Josh But in that format or in that presentation it would not be or would it be?

P. Orth Well, let me back up a little bit. There are certain J codes that are associated with bulk IV fluids and carrier fluids and vehicles that a certain drug may be infused or injected with and those are in the CAP. However,

the actual devices, sets, syringes, mini-bags and whatnot, those are not in the CAP.

Josh I see.

M Yes, I basically ask the question; somebody here made the comment are any of those things that you're using billed through ASP methodology at this time? If they're not then they're not a part of the CAP.

Josh Okay. And certainly those would require the use of an infusion pump, for example. So those would not be part of the CAP.

M The pump itself would not be part of the CAP or the devices that are attached to the pump, tubing sets. However, the point I'm trying to make is the drugs themselves are a part of the CAP.

Josh Okay. And it's on the list that BioScrip has provided.

M That is correct. Specifically the NDCs that BioScrip will provide are there on the Web sites, both their Web site and ours.

Josh Can I ask another question? Just a quick question about the physician's office in terms of definition. Does that specifically relate to a regular physician's office or a physician clinic or does it also include, for example, a physician's office that might be set up within a free-standing outpatient surgical center or something of that nature? Can you clarify?

M Yes, basically the tests are incident to and the billing address itself; if that address is listed in your paperwork, yes, that is covered.

Josh Okay, so it is covered under there?

A. Bassano Right. If you're in a facility, but you're billing and you bill the Part B carrier for the administration of the drug and the drug itself then it seems like, given the information we have, that it would be able to participate in CAP.

Josh Okay. Thank you.

Kathy Hi. My name is Kathy. I'm from Phoenix, Arizona. And I'm calling in regards to the question it's not necessary for a physician to join CAP; it's just the benefit of getting the drugs and not having to be reimbursed for

your co-pay and everything. If he chooses not to be a CAP participating physician can we continue as status quo and just continue to bill with our J codes and not get denied?

P. Orth This is Paul from Noridian and I answered the previous question so if a physician were to not be part of CAP the CAP program would have no effect on that physician. It would just be status quo, as usual, buy and bill through the ASP method.

Kathy Okay. Because I'm getting some of my J codes, there are two of them that are on your list that I use, the Kenalog and the Supartz, and they're being denied and I didn't know if that was because Part D went into effect of if it's still going to be considered Part B.

P. Orth You said you're in Arizona?

Kathy I am.

P. Orth Okay. I would call my local carrier at their provider call center number and have them help you out because CAP would have no effect on this, but that's a very good question. Thank you.

Kathy Okay, thanks.

Karen Hi, this is Karen. I'm calling from New York. Currently when we obtain doses of the drug Visudyne we're also supplied at a separate fee infusion kits. And I'm still a little confused; I know the question had already been answered, but how will we as CAP participants obtain these kits, which include syringes, needles and infusion line set-ups?

P. Orth Is the infusion kit, does it have its own NDC? If it has an NDC and if it's listed in the approved CAP vendor's list of drugs, then that is an available item that can be obtained through the CAP.

Karen Okay, I don't believe it has a HIC PIC number, though.

P. Orth Right, but certain drug products are available through kit forms, through the manufacturer and some of them just come as a vial and the kit may or may not be available for BioScrip. I do not recall which NDCs they've listed.

Karen Okay, thank you.

Tab This is Tab from Pennsylvania. My question goes back to the ambulatory pump. Our pumps are shipped in with the medication with them and I'm wondering what are we going to do now that we go on the CAP Program because the medication would have to be shipped to us and we would have to send it to the company, because they fill the cassettes for us.

W Just so we understand; you order a drug and this is a drug that's on CAP and it comes to you with the pump, the cassette?

Tab It does. The cassette comes from the company that we order the pump from.

W But then what about when the pump is refilled?

Tab Then send the refill to us also. It's filled at another company and shipped to us.

P. Orth We're not providing add mixture services through the CAP so it doesn't sound like that situation would be covered under the CAP.

- Tab Okay, but the other drugs the patients would receive at that time that they come in, like the Oxaliplatin and the 5FU and the leucovorin would be under the CAP Program, right?
- P. Orth Yes. The CAP Program was intended to supply products that were basically in manufacturer's packaging and we had not gotten into add mixtures, transferring, that sort of thing.
- Tab Okay, thank you very much.
- Moderator We'll move on to our next question.
- Kim Hello, this is Kim Bow from Illinois. My question is regarding how physicians in a multi-specialty group, only some physicians want to participate and not others; is there any exception to that or does it have to be the whole group that signs up for the CAP Program?
- P. Orth This is Paul. The decision is made on an entire group basis so part of the group could not decide to opt in and part decide to opt out. It would have to be on a group basis.

Kim Okay, thank you.

Mandy Good afternoon, this is Mandy from Washington, D.C. My question relates to item 19. What is the field length, the maximum field length on both the paper and the electronic version in terms of the number of prescription numbers and NDCs that would need to be entered for a typical oncology patient?

Audrey The maximum field length for the prescription order number that has been established in the CMS Change Request 4064 is the field length of 30.

Mandy How many of these can fit actually into the box 19? That's my question because some people have raised questions in terms of how many of these can we fit given that some patients may require six or seven medications for the maximum field length.

Audrey The maximum field length as far as the number of prescription numbers that can comfortably fit into box 19 will depend on the office that is entering in that information. We can only assume that there is a couple of prescription numbers that would be able to fit into that box, but there are only five lines, six lines on a paper claim that can be submitted with the

prescription number and two of those lines are for the administration and for the drugs so you'll have to work with your agency to do that.

Although electronic billing, for electronic billing if you sign up for that is a very simple process through your local carrier as well as to indicate prescription number is by each detail line, so you would not run into that problem when billing electronically.

Mandy So electronically there would be no maximum field length that could go with that?

Audrey Billing electronically, there is a prescription number that's available that can be entered in for each individual line.

Mandy Okay, great.

Holly My name is Holly. I'm calling from Illinois. We have a large, multi-specialty physician group with about 200 physicians. Only several of the specialties would be using these types of drugs, however I understand the entire group has to enroll?

P. Orth

Correct.

Holly

Okay and we have probably 20 to 25 different practice addresses. As I look at the election agreement each address has to be listed separately with the physician's PIN and U PIN.

P. Orth

Correct.

Holly

So we would be enrolling probably three-quarters of our physicians who would not actually be using these drugs in order to get the other quarter to be able to use this program.

P. Orth

Correct.

Holly

Okay. Thank you.

Laurel

This is Laurel with the Columbia Arthritis Center in Columbia, South Carolina. I have a question on a couple of the drugs that are not on the drug list and they don't have a specific J code; they're billed under the J 3490. Will they be included at a later date or how would we go about billing those and are they part of the CAP Program?

P. Orth At this time they're not part of the CAP Program. There is a process that is set to go into effect at a later time that will address 3490 drugs.

A. Bassano But you should continue to bill those as you currently do.

Laurel Okay, thank you very much.

Susanne Hi, this is Susanne from Flemington, New Jersey. I'm still confused with some of the questions that have come up about the CMHCs and I was wondering if I could get a little more clarification on if a physician is centered at a CMHC can they participate in CAP? I guess I'm kind of unclear; I feel like I've gotten a few different answers.

W It depends on how they're billing. If they're billing the carrier directly for their services and the drug, and they're having a number as a physician practice then they can. If they're part of the facility in the CMHC that's billing the intermediary, then they cannot.

Susanne Okay, thank you.

Sharon This is Sharon, again, from Plattsburgh, New York. We had a question; if we get into the CAP Program and we decide later that we want to get out of the Program, what's the process to get out of the Program, or terminate from the Program?

P. Orth When a physician elects to enroll in the CAP Program it would be for a calendar year, except for just the first year will, of course, be July 1st or August 1st depending on your enrollment period you choose, through December 31st of 2006. Thereafter, your enrollment will take place in the fall of each previous year and it will involve the next calendar year. So it's for a period of one year, except for this first period, which starts mid-year.

Sharon So if you're not notified that we don't want to roll over do we automatically get enrolled and roll over or do we have to enroll each year?

P. Orth You have to enroll each year.

Sharon Thank you.

P. Orth Very good question. Thanks for letting us make that clear.

John Hi, this is John Carlson from Maryland. I asked a question earlier and I just had one more quick question about reporting charges on the claim form. With the J1 modifier, does it matter what charges the provider reports for the drug or does it have to be a zero charge? So like if a provider were to accidentally report a charge and if they were buying and billing, would they be penalized for that or would that cause any problems if they included that J1 modifier?

Audrey What the physician would do is they would bill their appropriate HIC PIC code with the J1 modifier and then the billed amount that they would normally do. When we say it's a J1 no pay line, the payment amount that will be reflected will not show any type of payment, but it's mainly for processing for the local carrier determinations, the national carrier determinations and those types of things.

So the billed amount would be the normal billed amount that you would place in that particular field.

John Thank you.

Sherry Hi, this is Sherry again. I'm trying to find out when and how you get the numbers in order to purchase from the vendor.

Audrey The vendor will be providing the prescription number and the process and such as far as when you order the drugs from BioScrip and those types of things. So when you go through the process, that is out on BioScrip's Web site and/or listen to their BioScrip call which is coming up on June 22nd, they will be going through the process of how to get the information to them and they will be providing the information back to each of the physicians so that they can appropriately bill their local carrier.

Sherry Thank you.

Mike This is Mike Lunsford from North Carolina. I noticed on the list of drugs you have high dollar drugs like Remicade, but you also have some really inexpensive drugs that are provided quite frankly when the patient shows up in the office. You don't know in advance the patient is going to need that drug and they don't cost very much where we have an inventory we collect of those to pull.

This seemed a little bit cumbersome to be and this is where we're a little concerned about enrolling in the Program as a multi-specialty group practice, that we'll have a lot of extra work to do, administrative work to do, on these small what I call nickel and dime drugs. Am I understanding this correctly?

P. Orth Drugs that are on the CAP list would have to be procured through the CAP Program. I don't know what else to say there.

K. Milbrandt Edmund, do you have anything more to add?

E. Kasaitis Yes, we do have something to add. Basically, that list was arrived based off of usage figures for Part B drugs. It is a relatively non-homogenous list. We tried to give physicians a provision, the emergency provision, for trying not to have patients get called back and whatnot, inconvenience both the physician and the patient.

So what we've tried to do is we've tried to provide for situations where the drug could be used, billed through the replacement methodology for the CAP and then basically BioScrip would wind up sending the drug back. Does that answer your question?

Mike Yes, it does.

Moderator Caller, your line is open. Please go ahead. Hearing no response we'll move to our next question.

Chris Yes, this is Chris in Florida. I was just wondering if you could clarify if a physician practice elects not to have an ABN sign for the drug that BioScrip has no recourse with that physician practice because it is ultimately BioScrip's responsibility, is that correct?

Audrey The ABN process, if the physician does not have the beneficiary sign an ABN the approved CAP vendor, BioScrip, of course will be working with the physician to know that this particular drug may require an ABN, but also will be able to work with the beneficiary to acquire a particular ABN when the drug is possibly not covered by that particular local carrier.

Chris But if the physician practice doesn't want the administrative liability of having to collect an ABN for the drug they're not required to do so, am I correct? That it's ultimately BioScrip's responsibility for that financial relationship with the patient.

C. Black This is Cassie Black and that's correct. It's ultimately the approved CAP vendors' responsibility. If the physician practice doesn't choose to collect the ABN then BioScrip has the option of collecting one.

Chris And is there anything to stop BioScrip from requiring a physician to do that in a contract per se, or is that a no no?

C. Black No. Under our rule for CAP the approved CAP vendor cannot require the physician to present the ABN to the beneficiary.

Chris Thank you.

Laurel Yes, this is Laurel with the Columbia Arthritis Center and I do have a question as far as billing. It's my understanding we would bill the administration codes, any supply codes and we would still bill the J code with the J1 modifier and our normal charge. Is that correct?

Audrey That is correct.

Laurel All right. Thank you.

K. Milbrandt Operator, if we have no other questions I think we can conclude.

Moderator I do have other questions. Caller, your line is open. Please check your mute button. Hearing no response, we'll move to our next question.

Jeannie Hello. My name is Jeannie. I'm calling from New York. I had a question in regards to the enrollment periods that have been discussed. I understand it's one year, but my concern was when we were talking earlier about a patient that had billing issues with BioScrip and at that time it was mentioned that if it couldn't be resolved the physician could opt out. Would they still have to wait for the year or could they opt out at that time because the patient was having problems getting the medication?

P. Orth You say you thought that if the billing could not be resolved.

Jeannie Right. The co-insurance, if after the 45 days BioScrip is refusing to deliver and you had mentioned that we could opt out and you'd have to opt out for all patients. Could you opt out at that moment so you could continue care with these patients or would you have to wait until the enrollment period was up?

C. Black What would happen is if that situation arose, the physician would notify the Medicare program that they wanted to opt out of CAP and then they would be able to opt out for the end of that year. So if it was July it would be until the end, and then if they wanted to sign up for the next year they could.

Jeannie So even if your patient is having a problem during that year because they're having co-insurance payment problems with BioScrip and BioScrip is no longer going to deliver and this is in July, I can't opt out until December 31st?

C. Black No, what I'm saying is you could opt out right away.

Jeannie Okay. Thank you.

Josh This is Josh from Illinois again. Just a quick clarification; the list of all of the NDCs on the BioScrip list that are associated with the individual J codes, is BioScrip obligated to provide all of those NDCs or do they just have to provide one of those?

P. Orth BioScrip is responsible for providing all of those NDCs on the list. We appreciate the fact that at times there may be shortages and one time BioScrip may decide that one NDC is preferable to another within that list. However, the physician can also specify which of the NDCs they want delivered for the patient if there is a reason for that.

Josh Okay. Thank you.

W My question is if we have enrolled and a patient, when we get the patients enrolled we have to use BioScrip for everything for that patient, correct?

P. Orth For those pharmaceuticals that are on the list.

W We have to use you.

P. Orth The CAP Program would be in effect for those 180 drugs.

W Okay. Thank you.

P. Orth Operator, we are coming close to the 2:30 central time. We want to do a bit of a wrap up. We'll take one more call and then we'll do a wrap up.

Moderator And we'll take our final question.

Karen This is Karen. I'm calling from New York. My question is regarding Avastin. Within the last week our local carrier has approved the use of Avastin for age related macular degeneration. Currently Avastin is on the list of the CAP Program drugs. However, it's listed only as a chemotherapy drug. So would we obtain the drug from BioScrip or how we're currently receiving the drug?

P. Orth I'm sorry I must have missed something. Was the drug on the drug CAP listing?

Karen It is listed with the HIC PIC code that's used for the chemotherapy use of the drug. However, our local carrier has determined that we can use this drug using an unlisted HIC PIC code for the drug. It's the same drug, but a different dosage.

P. Orth The drug is billable through the CAP when used through the HIC PIC code and billed through the HIC PIC code that is in the CAP and it's also subject to local coverage determinations.

W So if there's a requirement that you bill an unlisted code knowing actual local policy it's sounding like it would not be eligible under CAP because unlisted codes are not eligible through CAP.

Karen Okay. Thank you.

P. Orth Operator, thank you very much. This concludes the Ask the Contractor call for the CAP Program for today. There will be a call led by BioScrip on June 22nd and that will be publicized through their company.

We'd like to thank the participants for working with us, CMS in the Baltimore office, the Noridian staff and for all the callers for the excellent questions. So thank you very much and we will adjourn the call.

Moderator That does conclude our conference for today. Thank you for your participation and for using AT&T Teleconference Service. You may now disconnect.