



MEDICARE PROGRAM INTEGRITY GROUP

Date: 02/27/2014

To: Medicare Advantage Organizations and Prescription Drug Plan Sponsors

From: Mark Majestic, Acting Director
Medicare Program Integrity Group (MPIG)

Subject: Medicare Part D Recovery Audit Contractor (RAC) Unauthorized
Prescriber Audit Review for Plan Years 2009, 2010, and 2011

The Centers for Medicare & Medicaid Services (CMS) continues its series of communications about the Medicare Part C and Part D RAC programs to keep Medicare Advantage Organizations (MAOs) and Prescription Drug Plan sponsors informed about upcoming RAC activities.

The Medicare Part D RAC has completed its Unauthorized Prescriber review for the 2009, 2010, and 2011 plan years. The Data Validation Contractor (DVC) has completed its evaluation of the RAC findings, and final preparations are being made to notify all Part D plan sponsors affected by this review.

Per section 1927(k)(2) of the Social Security Act and 21 USC 353, to be covered under Medicare Part D, prescription drugs must be dispensed only upon a prescription of a health care provider that has the authority to prescribe drugs. Accordingly, PDEs submitted to CMS by a Part D plan sponsor that were derived from prescriptions by an unauthorized individual are determined to be improper claims for payment and should not have been sent to CMS or included in reconciliation.

Part D plan sponsors affected by the Unauthorized Prescriber review will receive a Notification of Improper Payment (NIP) and will be provided a two-tiered appeals process. If you receive an NIP, you must adhere to appeal deadlines and instructions regarding PDE deletions to avoid any compliance actions.

CMS has created a website to communicate important information about the Part D RAC program,
<http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/recovery-audit-program-parts-c-and-d> on the Internet.

Please email us at the PartD_RACCommunications@cms.hhs.gov if you have questions about the Part D RAC program.