DEPARTMENT OF HEALTH & HUMAN SERVICES
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TO: All Part D Sponsors

FROM: Amy K. Larrick, Acting Director, Medicare Drug Benefit and C & D Data Group

SUBJECT: Medicare Part D Overutilization Monitoring System – July 2014 Updates

DATE: July 11, 2014

The Medicare Part D Overutilization Monitoring System (OMS) was implemented on July 31, 2013 to help CMS ensure that sponsors have established reasonable and appropriate drug utilization management programs to assist in preventing overutilization of prescribed medications as required by 42 C.F.R §423.153 et seq. (HPMS memo, July 5, 2013). Additional updates were applied to the OMS in subsequent releases.

This memorandum describes updates to the OMS effective July 31, 2014, which include the enhancements described below.

Opioid Product List Changes

In accordance with recent revisions to the Center for Disease Control and Prevention (CDC) Morphine Milligram Equivalent Table, May 2014, the following changes will apply to the OMS calculations of cumulative morphine equivalent dose (MED):

- All opioid cough and cold products will be excluded from the calculations of MED. Testing confirms that the removal of these products does not significantly impact the identification of potential opioid overutilization.
- The MED conversion factor for buprenorphine patch will be reduced from 42 to 12.6.

Sponsor-Identified Potential Overutilization Issue (SPI) Reporting

SPIs will continue to be collected and integrated into OMS reporting. Please note the following additional information about the SPI Reporting process:

- SPIs and known-exception status from verified SPIs are valid for 12 months from the submission deadline for a beneficiary while enrolled in the same contract.
- Contracts can update or correct SPI response codes by re-submitting the SPI with the new response code in a future cycle. The most recent SPI information available will be used for a beneficiary at the beneficiary-contract level. However, this also means that a beneficiary's SPI can change from verified to unverified if the contract submits incorrect information for the beneficiary's SPI in a later cycle.
- If a contract submits the wrong beneficiary in a SPI, the contract may remove the incorrectly reported SPI by contacting Acumen per the contact information included below.

- Only active contracts that submitted SPIs in a given cycle will receive a SPI Verification Report for that cycle. However, previously verified SPIs will continue to appear in OMS reports according to the timeline described above.

Overutilization Monitoring System User Guide

The Overutilization Monitoring System User Guide is available on the Help Documents page of the Patient Safety Analysis Website. Additional details of the changes described above will be included in the updated User Guide.

Any general questions related to the CMS overutilization management requirements should be sent via email to PartDPolicy@cms.hhs.gov. For questions related to the Medicare Part D Overutilization Monitoring System, send an email with "OMS" in the subject line to PartDPolicy@cms.hhs.gov. For technical questions related to the user authorization process or access to the website or reports, please contact Acumen at PatientSafety@AcumenLLC.com or by phone at (650) 558-8006.