



**CMS 2010 BI-REGIONAL MEDICARE HEALTH PLAN COMPLIANCE  
CONFERENCE**

**Boston & New York – Serving Our Beneficiaries Together**

Verbatim Transcript

Part C and D Appeals

Patricia Farris, Beverly Sgroi, Kathryn McCann Smith, J.D., Janice Eidem, Esq., Jerry Musheno, R.Ph., Esq.,  
Kathleen Lockwood, R.Ph., Esq.

>> JANICE IS THE PROJECT  
DIRECTOR FROM MAXIMUS FEDERAL  
SERVICE, THE PART C QIC, AND  
SHE'S RESPONSIBLE FOR THE  
OVERSIGHT OF THE MEDICARE PART C  
RECONSIDERATION PROGRAM. SHE'S  
A GRADUATE OF BRANDEIS  
UNIVERSITY AND A GRADUATE OF  
DICKINSON LAW SCHOOL. AND TO  
JANICE'S RIGHT IS KATHRYN M.  
SMITH. AND KATHRYN IS THE  
TECHNICAL ADVISOR IN THE  
DIVISION OF APPEALS POLICY WITH  
THE CENTERS FOR MEDICARE AND  
MEDICAID SERVICES, AND KATHRYN  
SERVES AS THE TECHNICAL ADVISOR  
FOR THE DIVISION OF APPEALS  
POLICY'S MEDICARE ENROLLMENT AND  
APPEALS GROUP, AND IS THE  
CONTRACTING OFFICER FOR THE PART  
D QUALIFIED INDEPENDENT  
CONTRACTOR, THE QIC. SHE EARNED  
HER JURIS DOCTOR DEGREE FROM THE  
AMERICAN UNIVERSITY, WASHINGTON  
COLLEGE OF LAW AND HER BACHELOR  
OF SCIENCE DEGREE FROM THE

UNIVERSITY OF MINNESOTA IN  
MINNEAPOLIS. AND TO KATHRYN'S  
RIGHT, WE HAVE KATHLEEN  
LOCKWOOD. AND KATHLEEN IS A  
LEGAL COUNCIL FOR MAXIMUS  
FEDERAL SERVICE, THE PART D QIC.  
AND SHE IS RESPONSIBLE FOR  
PROVIDING STATUTORY AND  
REGULATORY UPDATES, POLICY  
CLARIFICATIONS AND LEGAL  
GUIDANCE TO STAFF IN THE  
PROCESSING OF MEDICARE PART D  
DRUG AND LATE ENROLLMENT PENALTY  
APPEAL RECONSIDERATION, AND  
OVERSEES THE POST-ADJUDICATION  
PROCESS FOR DRUG APPEALS.  
KATHLEEN IS A GRADUATE OF  
RUTGERS UNIVERSITY COLLEGE OF  
PHARMACY AND TEMPLE UNIVERSITY  
SCHOOL OF LAW. AND TO  
KATHLEEN'S RIGHT IS JERRY  
MUSHENO. JERRY?

>> MUSHENO.

>> MUSHENO. I KNEW I WAS--JERRY  
IS THE NEW PROJECT DIRECTOR FOR  
MAXIMUS FEDERAL SERVICE PART D  
QIC. AND HE IS RESPONSIBLE FOR  
THE OVERSIGHT OF THE DRUG AND  
LATE-ENROLLMENT APPEAL  
RECONSIDERATION ASSOCIATED WITH  
THE MEDICARE PRESCRIPTION DRUG  
PROGRAM. HE'S A GRADUATE OF  
TEMPLE UNIVERSITY SCHOOL OF  
PHARMACY AND TEMPLE UNIVERSITY  
SCHOOL OF LAW. SO PLEASE  
WELCOME ALL OF OUR GUESTS AND  
ENJOY THE PRESENTATION.

>> THANK YOU, EVERYONE, FOR  
COMING TO OUR PRESENTATION ON  
THE PART C AND PART D DATA. AS  
YOU KNOW, MY NAME IS JANICE  
EIDEM AND I'M WITH PART C AND  
I'D LIKE TO START OFF THIS  
AFTERNOON'S BREAKOUT SESSION  
WITH JUST A QUICK OVERVIEW OF  
SOME OF THE DATA THAT WE HAD IN  
2009, BRING OUT SOME OF THE DATA  
WE HAD IN 2009. WE ARE REALLY--  
OKAY, A LITTLE BIT BIG. MOVE  
THIS A LITTLE BIT. WE HAVE A

DIFFICULTY FOR THE SLIDES.

>> ACTUALLY, SHE NEEDS IT MORE  
ON TABLE ONE.

>> YEAH, WITH THE PAYMENT  
SCHEME.

>> THAT SLIDE IS ACTUALLY QUITE-  
-THAT'S LIKE THE THIRD SLIDE IN.  
WE NEED TO GET BACK TO THE FIRST  
ONE. OKAY, SO--SORRY FOR THE  
TECHNICAL ISSUES HERE. WE TRIED  
TO MAKE THIS BETTER FOR EVERYONE  
SO EVERYONE WILL SEE THE SLIDES  
BY ENLARGING--BY ENLARGING SOME  
OF THESE. I BELIEVE WE ENDED UP  
OVERACHIEVING AND ENLARGED THEM  
TO WHERE YOU CAN'T ACTUALLY SEE  
THEM. OKAY. SO WE'RE--I'M JUST  
GOING TO GO THROUGH HERE. AND,  
AGAIN, I'M SORRY, IT'S NOT GOING  
TO ACTUALLY SHOW IN THE SLIDE  
FOR THIS YEAR. THERE'S A LITTLE  
PROBLEM WITH MY PRESENTATION.  
SO, AGAIN, THIS SHOWS WHAT  
HAPPENED IN 2009. ONE OF THE  
EXCITING THINGS FOR MAXIMUS  
FEDERAL SERVICES IS THAT WE  
DECIDED OVER 61,000 APPEALS LAST  
YEAR. FOR THOSE OF YOU AGAIN  
WHO'VE BEEN WITH THE PROGRAM FOR  
AWHILE AND IF YOU'RE FAMILIAR  
WITH OUR ANNUAL REPORTS, YOU'LL  
REMEMBER BACK IN THE MID-2000S  
AND BEFORE THAT, WE REALLY  
PRETTY MUCH ON THE 20,000  
APPEALS. AS YOU HAD EXPLODED IN  
YOUR NUMBER OF ENROLLEES AND A  
NUMBER OF APPEALS, OBVIOUSLY, SO  
THAT WE--AND THAT WAS--IT WAS  
QUITE AN ACHIEVEMENT TO BE ON  
THE 60,000 APPEALS. IT PRETTY  
MUCH HAD BEEN ONLY IN THE PAST  
COUPLE OF YEARS. THE BOSTON  
REGION AND THE NEW YORK REGION  
COMBINED, YOU'RE ABOUT 10% OF  
THE 61,000 APPEALS. THE BOSTON  
REGION, YOU'RE ROUGHLY 3% OF THE  
APPEALS WITH 1,685. AND NEW  
YORK, YOU CAME WITH ABOUT 4,000  
APPEALS. I THINK YOU COULD SEE  
FROM--LET'S SEE IF I CAN DO

THIS. SO, YEAH, ALL RIGHT, SO  
IT'S JUST NOT GOING TO WORK ME.  
SO ANYWAY, YOU CAN SEE THE--WE  
HAD THE BREAKOUT OF THE UPHELD,  
THE OVERTURNED AND PARTIAL  
OVERTURNED, THE DISMISSES, AND  
WITHDRAWALS. FOR THOSE OF YOU  
IN NEW YORK REGION, WE PRETTY  
MUCH TRACKED VERY CLOSELY WITH  
WHAT HAPPENED ACROSS THE NATION.  
BOSTON, YOURS WAS A LITTLE BIT  
DIFFERENT. AND IT'S BETTER  
DISPLAYED IN THIS CHART. FOR  
THE BOSTON REGION, MAXIMUS  
FEDERAL SERVICE HAS ACTUALLY  
AGREED OUT OF ALL--WITH YOUR  
APPEALS, WE AGREED TO RECEIVE  
APPROXIMATELY 67% OF THE TIME.  
IT WAS ACTUALLY HIGHEST IN THE  
NATION SO CONGRATULATIONS,  
BOSTON. AND AGAIN, YOU CAN SEE,  
NEW YORK, YOU ACTUALLY GOT  
TRACKED PRETTY MUCH WITH THE  
REMAINDER OF THE REST OF THE  
NATION. IN THIS TABLE, WE'RE  
SHOWING THE DISPOSITIONS BY THE  
KEY--THE RESPONSIBLE REGION AND  
THE APPEAL CATEGORY. WE HAD  
BASICALLY--WE DISTRIBUTED BASED  
ON THE ISSUE IN THE APPEAL; WE  
IDENTIFIED THE ISSUE IN THE  
APPEAL AND IT'S CATEGORIZED INTO  
ONE OF TWELVE MAJOR APPEAL  
CATEGORIES. FOR THE BOSTON  
REGION, AGAIN, YOU COULD SEE  
YOUR TWO HIGHEST ARE THE  
PRACTITIONER SERVICES AND THE  
CLINIC AND THE LAB AND X-RAY.  
THAT'S WHERE, WE BELIEVE, MOST  
OF THE APPEALS COME, FROM YOUR  
REGION. AND NEW YORK, VERY  
SIMILAR FROM YOU, THE HIGHEST  
WERE PRACTITIONER SERVICE AND  
CLINIC, LAB, AND X-RAY. AND  
YOU'RE JUST GOING TO FIND THAT  
IT ACTUALLY TRACKS WITH THE  
REMAINDER OF THE NATION WHICH  
OUR HIGHEST IN THE YEAR WAS  
WITHIN PRACTITIONER SERVICES AND  
THE CLINIC AND LAB AND THE X-

RAY. AND YOU CAN SEE AGAIN JUST THE--WELL, THE PERCENTAGES OF THE UPHOLDS AND THE OVERTURNS BASED ON THOSE APPEAL CATEGORIES AND BY REGION. ONE OF THE AREAS THAT WE'VE GROWN QUITE A BIT IN IS THE BUSINESS RULES; WE NOTICED THAT A YEAR OR SO AGO, CMS--DUE TO SOME OF THE CMS AUDITS AT THE HEALTH PLAN LEVEL, THERE WAS A RENEWED APPRECIATION FOR THE FACT THAT, ACTUALLY, IT DOESN'T HAVE THE ABILITY TO DISMISS AN APPEAL; IT HAS TO COME TO MAXIMUS FOR A DISMISSAL. AND SO WE SAW, IN 2009 IN PARTICULAR, A LARGE RISE IN THE NUMBER OF DISMISSES THAT CAME THROUGH. AND LET ME JUST GO DOWN TO THIS CHART WHICH I THINK BETTER OR MORE EASILY ILLUSTRATES. IN THE BOSTON REGION, ACTUALLY, IT WAS VERY INTERESTING THAT WE SAW THE MAJORITY OF THOSE CASES THAT WERE DISMISSALS, THOSE CAME OUT OF THE LACK OF AOR. AND THEN FOR NEW YORK, ONCE AGAIN, PRETTY SIMILAR TO THE REST OF THE NATION WITH REALLY THE LACK OF WAIVER OF LIABILITY IS TYPICALLY THE ONE THAT WE SEE THE MOST; THAT AND THE FAILURE TO TURN THE FILE. I JUST WANT TO GO BACK UP--BACK TO THE PRIOR SLIDE AND JUST POINT OUT ONE OTHER THING THAT I THOUGHT THAT'S REALLY INTERESTING. BOSTON, YOU ACTUALLY HAD A VERY, VERY-- OVERAL--A VERY LOW PERCENTAGE OF DISMISSALS. YOU BARELY MADE IT TO 1% OR JUST ABOVE 1% OF YOUR CASES OR DISMISSALS LAST YEAR. I THINK THAT REALLY GOES TO SHOW HOW WELL-EDUCATED--WHAT A GREAT PROCESS YOU'VE DONE WITH THE WAIVER OF LIABILITIES WITH YOUR PHYSICIANS. AND THE RELEASE, OBVIOUSLY, EVERYONE IS WELL-AWARE OF THE DOCUMENTATION THAT

THEY NEED. AND IN NEW YORK, YOU ALSO DID A VERY GOOD JOB. THAT'S, AGAIN, PROBABLY JUST 5% ROUGHLY OF YOUR CASES THAT CAME THROUGH WHERE ACTUALLY CASES FOR DISMISSAL. IN YOUR AREA, ACTUALLY, IT WAS--THE LARGEST WAS THE WAIVER OF LIABILITY AGAIN AND THAT'S WHERE THE NON-CONTRACT PROVIDER NEEDS TO HAVE THAT ADDITIONAL PIECE OF PAPER THAT--WHERE THEY AGREE THAT THEY'RE NOT GOING TO BILL THE ENROLLEE SHOULD--SHOULD THEY NOT WHEN THEY APPEAL. AND, AGAIN, JUST BACK INTO WHAT THE WHOLE PART A PROCESS IS ABOUT, THIS IS AN ENROLLEE BENEFIT--IT BENEFITS, EXCUSE ME, AN ENROLLEE PROTECTION PROGRAM, A BENEFICIARY PROTECTION PROGRAM. AND THE WAY THEY REASONED IT; A NON-CONTRACT PROVIDER HAS THE RIGHT TO APPEAL JUST BECAUSE THEY WERE ESSENTIALLY STEPPING INTO THAT ROLE OF THE ENROLLEE, THE WAY THEY'LL BE ENROLLED AS LIABILITY AND STEPPING INTO THAT ROLE OF THE ENROLLEE IN THE APPEALS PROCESS. SO, I'M GOING TO HAND THIS OVER TO KATHRYN.

>> THANK YOU, JANICE. WE'RE GOING TO START--PRIOR TO GIVING TO THE PART D DATA DISCUSSION, WE'RE GOING TO GO OVER SOME POINTS THAT ARE IMPORTANT TO CMS COMPLIANCE AND PLAN PERFORMANCE MONITORING. AND MANY OF THESE ISSUES ULTIMATELY RELATE TO SOME OF THE DATA THAT KATHLEEN AND JERRY ARE GOING TO BE PRESENTING IN TERMS OF THE 2009 PART D QIC RECONSIDERATION DATA. AND WE WANT TO START TODAY TALKING ABOUT AUTO-FORWARDING, OF CASES IN WHICH YOU MISS AN ADJUDICATION TIMEFRAME. AND THIS IS REALLY A CRITICAL AREA. AS YOU KNOW, THIS IS ONE OF THE KEY METRICS IN YOUR PLAN

PERFORMANCE RATINGS, YOUR STAR RATINGS. AND REALLY SINCE THE INCEPTION OF THE PART D PROGRAM, YOU'VE SEEN A VERY HIGH AUTO-FORWARD RATE, EXCUSE ME. IT'S IN THE 48% RANGE. IN THE SUBLINES, IT'S HIGHER. SO THIS IS AN AREA THAT CMS IS WATCHING VERY CLOSELY. AS YOU KNOW, WHEN THE PLAN MISSES ITS ADJUDICATION TIMEFRAME THAT THEY'RE GOING TO MEET THE TIMEFRAME IS CONSIDERED AN ADVERSE DECISION BY A PLAN. AND UNDER OUR REGULATIONS, YOU'RE OBLIGATED TO FORWARD THAT CASE TO THE PART D QIC WITHIN 24 HOURS. AND THEN I'M USING THE NEW ENTITY AND A QUALIFIED INDEPENDENT CONTRACTOR INTERCHANGEABLY. THE PHRASE QIC IS REALLY A CREATURE OF OUR CONTRACTING STRUCTURE ENHANCEMENTS. THERE IS ONE VERY LIMITED EXCEPTION TO THIS AUTO-FORWARDING RULE THAT'S SET OUT IN CHAPTER 18 OF THE MEDICARE PRESCRIPTION DRUG BENEFIT MANUAL, AND THAT IS IF YOU CAN MAKE A FULLY FAVORABLE DECISION AND NOTIFY THE ENROLLEE OF THAT DECISION WITHIN 24 HOURS OF THE ADJUDICATION TIMEFRAME EXPIRING, WE DO NOT WANT YOU TO AUTO-FORWARD THAT CASE TO MAXIMUS BECAUSE YOU'VE MADE A FULLY FAVORABLE DECISION JUST OUTSIDE THE TIMEFRAME AND THERE'S REALLY NO ISSUE IN DISPUTE FOR MAXIMUS TO ADJUDICATE AT THAT POINT. SO BEFORE THAT CASE, WHAT WILL END UP HAPPENING IS MAXIMUS WILL HAVE TO DISMISS THE CASE, AGAIN, BECAUSE THERE'S NO LONGER AN ISSUE TO DISPUTE. BUT AGAIN, I'LL KIND OF STRESS THAT THAT'S VERY LIMITED EXCEPTION AND WE ARE WATCHING THAT PLANS AREN'T ROUTINELY USING THAT EXCEPTION. AND IF WE FIND THAT YOU ARE ROUTINELY MISSING THE TIMEFRAME

AND IF YOU'RE ISSUING A FULLY AVOID FAVORABLE DECISION, YOU MAY BE FOUND TO BE NON-COMPLIANT WITH THOSE REGULATORY PROVISIONS. THE OTHER ISSUE WITH AUTO-FORWARD CASES THAT WE WANT TO RAISE TODAY IS THE COMPLETENESS OF YOUR CASE FILES. AND THIS IS REALLY CRITICAL, THAT YOU ENSURE THAT YOUR CASE FILE IS COMPLETE BEFORE YOU SEND IT TO MAXIMUS SO THAT THEY CAN PROCEED WITH ADJUDICATING THE CASE IN A TIMELY MANNER. AND SOME OF THE THINGS THAT ARE KEY, OF COURSE, IS THE ENROLLEE'S HIC NUMBER BE INCLUDED, THAT THERE'S ADEQUATE INFORMATION WITH RESPECT TO THE DRUG THAT'S IN DISPUTE AND THE DOSAGE THAT HAS BEEN REQUESTED. THE OTHER KEY PIECE OF INFORMATION IS THAT YOU HAVE ACCURATE PRESCRIBER INFORMATION AS PART OF THAT CASE FILE. OFTENTIMES, MAXIMUS WILL HAVE TO REACH OUT TO THE PRESCRIBER TO GET SOME ADDITIONAL INFORMATION, PARTICULARLY IF THE CASE INVOLVES AN EXCEPTION REQUEST, IF SOMEONE IS SEEKING, FOR EXAMPLE, AN EXCEPTION TO A UTILIZATION MANAGEMENT TOOL. SO IT'S CRITICAL THAT THEY HAVE ACCURATE PRESCRIBER INFORMATION AS A PART OF THE CASE FILE. AND WHEN WE GET TO THE DATA, PAY CLOSE ATTENTION TO 304 (PH) THAT PROVIDE AUTO-FORWARD RATES BY THE REGION. AND THERE WILL BE SOME ADDITIONAL EXPLANATION THERE. THE OTHER AREA WE WANTED TO ADDRESS TODAY IS QIC AND THE REPRESENTATION DOCUMENTATION AND THE IMPORTANCE OF THAT. AND WE'VE ACTUALLY SEEN PROBABLY SOME ADDITIONAL PROBLEMS RECENTLY AROUND THIS AREA BECAUSE OF SOME CHANGES TO THE REGULATIONS THAT WENT INTO THIS



LAST YEAR. UNDER SOME NEW RULES WE ISSUED LAST YEAR, A PRESCRIBER CAN NOW REQUEST STANDARD REDETERMINATIONS OR STANDARD PLAN-LEVEL APPEAL ON THE ENROLLEE'S BEHALF WITHOUT THE ENROLEE'S APPOINTED REP. SO ON THE ONE HAND, WE DID A GOOD THING AND MADE THE PROCESS MORE ACCESSIBLE AT THE PLAN LEVEL. BUT WHAT WE'RE FINDING AT LEVEL TWO, AT THE RECONSIDERATION LEVEL IS THAT PRESCRIBERS HAD BEEN SURPRISED TO LEARN THAT THEY CAN'T PROCEED WITH REQUESTING AN APPEAL ON THE ENROLLEE'S BEHALF IN THE ABSENCE OF THE ENROLLEE'S APPOINTED REP. SO THAT HAS PRESENTED SOME CHALLENGES FOR MAXIMUS AND EXPLAINING WHY THAT AOR DOCUMENTATION IS NEEDED AT THE RECONSIDERATION LEVEL. SO WHAT THEY'LL BE LOOKING FOR IS A COMPLETED CMS 1696 OR SOME EQUIVALENT DOCUMENTATION THAT CLEARLY CONFERS AUTHORITY UPON THE PRESCRIBER OR OTHER INDIVIDUAL WHO'S TACKED ON THE ENROLLEE'S BEHALF. AND UNDER OUR RULES, MAXIMUS MAY HOLD THE TIMEFRAME IF THEY DON'T HAVE THAT AOR DOCUMENTATION IN THE FILE. AND THE TOTALING ESSENTIALLY STOPS, THE ADJUSTICATION TIMEFRAME STOPS THE CLOCK FROM STARTING AND THEY'LL HOLD FOR UP TO 14 DAYS IN EFFORT TO GET THAT AOR DOCUMENTATION. THE OTHER REMINDER WE WANTED TO PROVIDE YOU TODAY IS THAT UNDER OUR MANUAL GUIDANCE, THE PLANS ARE TO BE INCLUDING THE RECONSIDERATION REQUEST FORM WITH ANY ADVERSE REDETERMINATION DECISION. THIS WILL JUST FACILITATE THE ENROLEE'S ABILITY TO REQUEST A LEVEL APPEAL IF HE OR SHE DECIDES TO DO SO. AGAIN,

ONCE WE GET TO THE DATA, WE'LL BE TALKING ABOUT DISMISSALS BY REGION. AND THIS RELATES TO THE AOR ISSUE BECAUSE IF THAT AOR DOCUMENTATION IS NOT IN PLACE AND MAXIMUS IS NOT ABLE TO OBTAIN THAT DOCUMENTATION, THEY WILL DISMISS THAT REQUEST AS THE INVALID REQUEST FOR RECONSIDERATION. AND FINALLY, JUST SOME MISCELLANEOUS REMINDERS; WE TOUCHED ON, FIRST ONE OFF REDE (PH) AND THIS IS SOMETHING THAT IS REALLY CRITICAL THAT YOU ENSURE THAT YOUR ACCURATE PRESCRIBER INFORMATION IS PART OF THE CASE FILE. AND ONE OF THE CONCERNS THERE IS THAT WE MAY DO AN INADVERTENT DISCLOSURE OF PHI INFORMATION. IF THE PRESCRIBER NEW INFORMATION INCORRECT AND MAXIMUS REACHES OUT TO THE PRESCRIBER FOR SOME CLINICAL INFORMATION, THEY MAY BE, YOU KNOW, CONTACTING A PRESCRIBER THAT, YOU KNOW, THE INCORRECT PRESCRIBER. SO THAT'S REALLY AN IMPORTANT PIECE OF INFORMATION THAT THEY NEED IN ORDER TO PROCEED WITH ADJUDICATING THE CASE AT LEVEL TWO. AGAIN, THE MODEL RECONSIDERATION REQUEST FORM THAT YOU SHOULD BE SENDING WITH THE REDETERMINATION, ANY ADVERSE REDETERMINATION, ONE OF THE SUGGESTIONS FROM AN OPERATIONS PERSPECTIVE WOULD BE CONSIDERING PREPOPULATING SOME OF THE INFORMATION ON THAT FORM TO ASSIST THE ENROLLEE IN REQUESTING THE APPEAL. OFTENTIMES, THEY--MAXIMUS SEES THE DISCREPANCY IF THE ENROLLEE IS FILLING OUT THAT FORM IN TERMS OF THE DISPUTED DRUG AND THE DOSING INFORMATION. SO IT WOULD BE VERY HELPFUL IF PLANS WOULD CONSIDER PREPOPULATING THAT INFORMATION, ENSURING

CONSISTENCY BETWEEN WHAT IS IN THE CASE LEVEL, LIKE YOU SEND TO MAXIMUS AND WHAT IS ON THAT REQUEST FORM. AND YOU'LL SEE HERE THE APPEAL'S WEBSITE, THE MAXIMUS WEBSITE HAS A WEALTH OF INFORMATION INCLUDING ALL OF THE FORMS THAT YOU NEED FOR SENDING CASE FILES. THE CASE FILE TRANSMITTAL FORM IS ON THAT WEBSITE AS WELL AS THE CASE-GENERIC FORM THAT THEY ASK YOU TO COMPLETE. THERE'S ALSO A FORM THERE FOR YOU TO ADVISE THEM WHO THEY SHOULD BE CONTACTING. THEY HAVE A PLAN CASE ASSIGNED TO WORK WITH YOU. THE PLANS, IT IS CRITICAL THAT THEY HAVE CURRENT CONTACT INFORMATION. SO IF YOU HAVE A STAFFING CHANGE, PLEASE GO TO THE WEBSITE AND GET THE FORM COMPLETED AND THERE'S--THEY CAN JUST EMAIL THE FORM, I BELIEVE. YOU'LL SEE SUSAN ELSIE'S (PH) AND E-MAIL ADDRESS ON THAT FORM. SO JUST MAKE CERTAIN THAT YOU HAVE CURRENT CONTACT INFORMATION WITH MAXIMUS. AND FINALLY, EFFECTUATION COMPLIANCE NOTICES, THERE AGAIN, IT'S IMPORTANT TO ENSURE THAT THOSE NOTICES ARE COMPLETE SO THAT MAXIMUS HAS THE INFORMATION IT NEEDS TO VERIFY THAT FAVORABLE DECISION HAS BEEN TIMELY EFFECTUATED. IT'S JUST AS ON THE PART C WHERE WE VIEW--WE RECOGNIZE THIS--WE TALKED THIS MORNING, MAXIMUS PROVIDES THESE REPORTS FOR US AND FOR REGIONS LISTING CASES THAT HAVE NOT BEEN EFFECTUATED TIMELY. SO IT'S CRITICAL THAT YOU INCLUDE THE RECONSIDERATION APPEAL NUMBER ON YOUR EFFECTUATION COMPLIANCE NOTICE, THE BENEFICIARIES TAKEN, AND THE DATE THAT THE DRUG WAS PROVIDED. >> AND KATHLEEN AND JERRY, DO YOU HAVE ANYTHING TO ADD

UNDERNEATH THOSE POINTS, THOSE  
NUMBERS? OTHERWISE, I'LL  
[INDISTINCT]...

>> I WOULD JUST ADD WITH RESPECT  
TO AUTO-FORWARDS, WE SEE AN  
INCREASE EVERY YEAR AT THE  
BEGINNING OF THE YEAR OF OUR  
AUTO-FORWARD VOLUME AND THAT'S  
OBVIOUSLY DUE TO--MOST OF THE  
TIME IT'S DUE TO ISSUES AT THE  
PLAN LEVEL WITH INCREASED VOLUME  
FO BENEFICIARIES BECAUSE  
EVERYBODY IS CHANGING PLANS  
AFTER THEY OPEN AND THEY LOOK  
FOR A MOMENT--A PERIOD FOR PLANS  
SET BY FOLKS AND DEADLINES ARE  
MISSED. SO WE SEE PRETTY MUCH  
EVERY YEAR, I'D SAY FOR THE  
PAST--ACTUALLY, MOST OF THE  
PROGRAM, YOU'VE SEEN A LOT OF  
AUTOFORWARDS WITHIN THE YEAR.  
FROM AN OPERATIONAL POINT, IF  
YOU EXPECT TO HAVE A LOT OF  
AUTOFORWARD, AS KATHRYN  
MENTIONED, WE HAVE A PLAN  
LIAISON NAMED SUSAN ELSI (PH).  
LET HER KNOW THEY'RE COMING. A  
LOT OF FOLKS, A LOT OF PLANS  
HAVE BEEN REALLY GOOD ABOUT  
NOTIFYING US WHEN 20 OR MORE  
AUTOFORWARDS ARE GOING TO BE  
COMING IN AT THE TIME. AND IT  
ALSO HELPS TO SEPARATE THE  
EXPEDITED APPEALS BECAUSE I'M  
NOT SURE HOW MANY FOLKS ARE  
FAMILIAR WITH THE REALLY TIGHT  
TIMEFRAMES THAT WE HAVE IN PART  
D. BUT THEY HAVE TO KNOW, THE  
APPEALS ARE VERY TIGHT AS FAR AS  
TIMEFRAMES GO. SO IF WE GET A  
HUGE SET OF APPEALS AND WE DON'T  
KNOW IF THEY ARE EXPEDITED ONCE  
THERE RIGHT AWAY, WE'RE NOT  
GOING TO LOOK OUT FOR THOSE. IT  
REALLY HELPS US IF YOU COULD  
SEPARATE OUT YOUR EXPEDITED WITH  
SOME OF YOUR STANDARDS. JERRY,  
DO YOU HAVE SOMETHING ELSE?  
>> KATHRYN HAD MENTIONED THE  
IMPORTANCE OF THE CONTACT

INFORMATION FORM THAT'S  
AVAILABLE ON OUR WEBSITE. I  
JUST WANTED TO ADD TO THAT THAT  
WE LIKE TO KEEP A SEPARATE  
CONTACT FOR BOTH THE LEP SIDE  
AND THE DRUG SIDE. AND MORE  
OFTEN THAN NOT, THE PROBLEMS  
THAT WE ENCOUNTERED IN TRYING TO  
FIND OUT WHO IS RESPONSIBLE OF  
THE PLAN, THEY EMANATE FROM THE  
FACT THAT WE DON'T HAVE THE  
PROPER CONTACT INFORMATION. SO,  
ESSENTIALLY, YOU CAN BE YOUR OWN  
BEST FRIEND BY KEEPING US UP-TO-  
DATE--AS UP-TO-DATE AS POSSIBLE  
ON THE CONTACT INFORMATION. I  
CAN'T TELL YOU HOW IMPORTANT IT  
IS BECAUSE YOU ALL KNOW THAT YOU  
EXPERIENCE A TURNOVER--THERE IS  
MULTIPLE LEVELS WITHIN YOUR  
ORGANIZATIONS AND IT'S JUST  
CRITICAL THAT WE HAVE  
INFORMATION. AND THE OTHER  
THING I WANT TO COMMUNICATE TO  
YOU IS IN THE WEBSITE, WE ALSO  
HAVE AN EMAIL ADDRESS THAT YOU  
CAN GET A DIRECT ANSWER, LET'S  
SAY, EVEN AFTER TODAY'S  
PRESENTATION THAT YOU GOT A FORM  
FROM US AND YOU DIDN'T APPROVE  
OF THE SPEAKER'S REMARKS; YOU  
CAN TALK WITH US. IT'S VERY  
SIMPLE INFO AND THEN HERE AT  
PARTDAPPEALS.COM. AND THAT  
MIGHT PROVE TO BE VALUABLE TOO  
AS WELL. AND THEN, FINALLY, TO  
ADD ONE OTHER COMMENT TO WHAT  
KATHRYN HAD MENTIONED ABOUT THE  
EFFECTUATION OF THIS, WE DO IN  
FACT PREPARE REPORTS FOR THE  
REGIONS FROM CMS. AND, AGAIN,  
EVERY INFORMATION YOU PROVIDE TO  
US, THE LESS GLITCHES THAT GO  
OUT LIKE IMPROPER OR INCORRECT  
REPORTS GOING TO THE REGIONAL  
OFFICES. SO THE BETTER  
INFORMATION THAT WE CAN BEEN  
OBTAIN, THE CLEANER THE REPORTS  
ARE IN BETTERING YOUR  
PERFORMANCE'S LOOKS. SO, JUST

A--JUST A THOUGHT.

>> OKAY. WELL, WHAT ABOUT SOME OF THE PART D APPEAL DEV? THIS IS OUR APPEALS DISPOSITIONS. SO THIS IS OVERALL, ALL REGIONS; BOSTON AND NEW YORK, YOU GUYS ARE THE TOP. AS YOU CAN SEE, WE UPHOLD THE PLAN 48% TO 47% OF THE TIME RESPECTIVELY, MUCH MORE OFTEN THAN WE OVERTURN, SO THAT'S TERRIFIC. YOUR FULL VOLUMES ARE PRETTY MUCH RUNNING NECK AND NECK IN THE THOUSAND RANGE. AS FAR AS DISMISSALS, I HAVEN'T MENTIONED DISMISSALS. WE ACTUALLY HAVE A SEPARATE SLIDE ON DISMISSALS THAT JERRY WILL BE TALKING ABOUT. BUT DISMISSALS ARE A SIGNIFICANT PERCENTAGE THAT WE SEE. AND AS KATHRYN MENTIONED, THIS IN ALL LIKELIHOOD IS--NOW, THIS IS 2009 DATA BUT WITH THE CHANGE THAT HAS TAKEN PLACE WITH RESPECT TO THE PROVIDER, THE PHYSICIANS--NOW, THEY STILL NEED AN AOR AT OUR LEVEL BUT NOT AT THE PLAN ANYMORE. WE'VE SEEN A LOT OF ISSUES AROUND THE AORS WITH THE PRESCRIBERS. ALL RIGHT. THIS--JUST SO YOU KNOW, THIS IS FOR A FULL YEAR'S WORTH OF DATA FROM ALL OF 2009 AT SOME OF THE MEDICARE APPEAL SYSTEM WHICH IS OBVIOUSLY AS YOU HEARD EARLIER TODAY, THIS IS STILL IN THE CMS SET UP FOR USE TO USE TO INPUT ALL OF OUR DATA. AND SO THIS GIVES YOU A SNAPSHOT OF ONE YEAR 2009 PART D. AS YOU CAN SEE, OUR TOTAL VOLUME--AND THIS IS DRUG PLANS ONLY. SO--AS A MATTER OF FACT, ALL OF THESE DATA WE'VE BEEN DISCUSSING TODAY ARE ONLY OFFS ONLY, AND NOT THE LABELED BECAUSE THAT'S A COMPLETELY SEPARATE APPEAL. OKAY. THE NEXT SLIDE IS JUST A BAR GRAPH OF THE SAME DATA WE JUST SAW. SO FOR THOSE OF YOU

WHO PREFER BAR GRAPHS IN COLOR,  
THIS IS THE SAME DATA. OKAY.  
THIS IS OUR APPEAL--THIS IS A  
PIECE BY APPEAL TYPE. AND,  
AGAIN, IT'S FOR ONLY 2009. THE  
TOP SIDE IS FROM BOSTON, THE  
SECOND IS FROM NEW YORK. BUT  
FOR BOTH REGIONS, YOU CAN SEE  
THAT CERTAIN TYPES OF APPEAL ARE  
VERY COMMON. SO WE BROKE THIS  
OUT. THIS IS ACTUALLY BROKEN  
OUT BASED ON THE APPEAL TYPE  
THAT WE ENTER INTO MASS AND IT'S  
MEDICARE PART D APPEAL TYPE THAT  
WE TRACK IN MASS IF SOMEBODY IS  
COST SHARING, WHICH IS GOING TO  
BE TYPICALLY YOUR CO-PAY  
DISPUTES, THEY'RE NOT COVERED  
UNDER PART D. THOSE ARE GOING  
TO BE DRUGS THAT ARE IN MANY  
CASES EXCLUDED ON THE PART D  
BECAUSE PART D HAS A LOT OF  
EXCLUSIONS, MAY INCLUDE YOUR  
NON-FDA APPROVED DRUGS, MAY  
INCLUDE YOUR DRUGS BEING USED  
FOR WHAT WE CALL NON-MEDICALLY  
ACCEPTED INDICATION WHICH IS A  
VERY, VERY CRUCIAL ISSUE IN PART  
D BECAUSE THERE'S A LOT OF  
OFFSITE ABUSE. AND SO, IF A  
DRUG IS NOT FDA APPROVED FOR A  
PARTICULAR USE OR IF IT'S NOT  
SUPPORTED BY A CITATION AND WHAT  
THE MEDICARE APPROVED IN D,  
WE'RE NOT GOING TO BE ABLE TO  
IMPROVE THAT DRUG FOR COVERAGE  
BY YOU. SO WE SEE A LOT OF  
APPEALS INVOLVING DRUGS THAT  
MAYBE IT'S FOR NON-MEDICALLY  
ACCEPTED INDICATION. OUT-OF-  
NETWORK PHARMACY, THAT'S OPEN;  
PLAN COST UTILIZATION AND  
DISPUTED. MOST OF THE APPEALS  
ARE WITH ISSUES INVOLVING CARD  
AUTHORIZATION OR STEP THERAPY OR  
HOLDING MSA (PH). NOW, I DO--I  
NEED PRIOR OFF PLAN'S TIME WHEN  
THEY DON'T OR MAYBE HAVE  
CONCERNS ABOUT CERTAIN DRUGS  
THAT ARE REQUIRED TO BE TAKEN IN

ADVANCE OF ANOTHER DRUG, A STEP THERAPY DRUG. AND COST-SHARING EXCEPTIONS, ENROLLEE, YOU KNOW IS TAKING A PREFERRED BRAND AND WANTS TO ACTUALLY GET THE COPY ON LOWER-TIER, SO THEY APPEAL TO US A NEW ONE AND REQUEST FOR A DRUG ENROLLMENT FORMULARY. THAT'S ALSO A VERY HIGH VOLUME TYPE OF APPEAL FOR PART D. SO IN OTHER WORDS, YOU KNOW, WE HAVE TO DO AN EXCEPTIONS ANALYSIS TO BE ABLE TO GET THE MEDICATION IF IT'S NOT IN THE FORMULARY. OKAY, SO IF YOU LOOK OVER AT THE FRAME THAT SAYS TOTAL, YOUR COMMONSENSE TOTAL, YOU CAN SEE THAT FOR BOSTON, NOT COVERED IN PART D WAS 426 APPEALS. THE PLAN COST UTILIZATION DISPUTED WAS 271 AND COST-SHARING WAS UP AT 257. ALL THE OTHER TYPES WERE VERY LITTLE LOW NUMBERS. SO THESE ARE BIG AREAS. NEW YORK WAS RELATIVELY SIMILAR. NOT COVERED UNDER PART D, AGAIN, A VERY BIG CATEGORY; PLAN COST UTILIZATION TOOL DISPUTED, ANOTHER LARGE CATEGORY. OKAY. YOU KNOW THAT, OKAY. AND THEN HERE YOU SEE APPEAL DISPOSITION BY APPEAL TYPE FOR THE NATION. AND AGAIN, IF YOU LOOK OVER AT THE TOTALS AND THE PERCENTAGES ON THE FAR RIGHT, YOU CAN SEE THAT NOT COVERED UNDER PART D AND PLAN COST UTILIZATION TOTAL DISPUTED. AGAIN, VERY HIGH PERCENTAGES WITH THE APPEAL TYPE THAT WE'RE SEEING; AND REQUEST FOR DRUG FORMULARY NATIONALLY IS DOWN 17%. AND THEN IF YOU LOOK AT WHAT HAPPENS TO THE DATA ON A NATIONAL BASIS, IT WAS UPHOLD VERSUS FULLY REVERSED. YOU CAN SEE THAT IT EVENS OUT 34% AND 36%. SO, YOU KNOW, MOST OF THE TIME, WE HAVE--THE PRIOR SLIDE SHOW THE BIG DIFFERENCE AMONG



THE REGIONS. HERE, ON A NATIONAL BASIS, WE'RE UPHOLDING 34%. WE'RE FULLY REVERSED IN 36%. YOU'LL ALSO NOTICE THAT THE DISMISSALS, THE WITHDRAWALS, THE REMANDS; DISMISSALS DOESN'T GO TO THOSE MENTAL HEALTH PROGRAMS. WE STILL HAVE A SIGNIFICANT NUMBER OF DISMISSALS. WITHDRAWALS AND REMANDS ARE REALLY NEGLIGIBLE. THEN WE BARELY HAVE TO REMAND. I MEAN, TYPICALLY--A TYPICAL SCENARIO FOR REMANDING WOULD BE IF THE ENROLLEE HAVE GONE THROUGH BOTH LEVELS OF THE PLAN AND MADE THEIR WAY TO US AND THE PLAN FORM LEGALLY--THEY APPEAL TO US.

>> THEY GO THROUGH...

>> GO THROUGH WITH THE PLAN LEVEL. WE WILL REMAND IT. WITHDRAWALS, THEY HAVE TO BE DONE. AND GRADING, THEY HAVE TO COME TO US BEFORE WE ISSUE OUR DECISION. IT DOESN'T HAPPEN OFTEN; OBVIOUSLY, AS YOU CAN SEE FROM THE DATA, IT SAYS HERE WE HAVE 0% ON THE NATIONAL BASIS. BUT I THINK A TYPICAL SCENARIO WOULD BE IF THEY, YOU KNOW, CHANGED THE DRUG AND HONESTLY IT WAS NO LONGER ISSUED AND THEY WANT TO WITHDRAW THEIR APPEAL. ALL RIGHT. ALL RIGHT, WE'LL TURN TO JERRY NOW AND HE WILL CONTINUE.

>> OKAY. I JUST HAVE A FEW CLOSING REMARKS ON DISMISSALS AND AUTO-FORWARDS AND WE'RE GOING TO OPEN UP FOR QUESTIONS. ON THE DISMISSAL SIDE, AS YOU CAN SEE, THE REASONS FOR DISMISSALS ARE WHERE THE COVERAGE OR PAYMENT IS APPROVED BY THE PLAN. AND AGAIN, I'LL ECHO WHAT KATHRYN HAD STATED EARLIER. REMEMBER THE 24-HOUR WINDOW IF WITHIN 24 HOURS OF THE ADJUDICATION TIME, HAVING PASSED, IF YOU MADE IT FULLY

FAVORABLE, THEN IT DOESN'T MAKE ANY SENSE TO SEND IT TO US BECAUSE WE WILL JUST--IT WOULD BE A MOOT POINT AND WE'LL JUST WIND UP DISMISSING IT AT THAT POINT. THERE'S ALSO DISMISSAL REASONS WHERE THE PRIOR LEVEL OF THE APPEAL HAS NOT BEEN EXHAUSTED SUCH AS THAT TWO COLUMNS THERE FOR THE NO-COVERAGE DETERMINATION HAS BEEN ISSUED OR NO RE-DETERMINATION HAS BEEN ISSUED. ALSO, WE WOULD DISMISS IF THERE'S PHYSICIAN STATEMENT; AND AS WE HEARD, FOR NOT HAVING AN AUTHORIZED REP WOULD BE ANOTHER REASON FOR DISMISSAL OR WHERE THE ENROLLEE IS NOT ENROLLED IN THE PLAN. AND WHILE THE AVERAGES ACROSS THE NATION ACCORDING TO THE REGIONS ARE NOT APPRECIABLY DIFFERENT FROM EITHER, YOU KNOW, BOSTON OR NEW YORK, THERE ARE--I DID WANT TO RE-ECHO THE IMPORTANCE ABOUT THE AUTHORIZED REP IN THE SENSE THAT WE'VE SPOKEN FOR ABOUT THE SECOND POINT FOR THE PHYSICIAN; HE'S JUST NOT GETTING THAT THEY CAN APPEAL AT THE LOWER LEVEL, AT THE PLAN LEVEL. AND NOW, ALL OF A SUDDEN, THEY COME TO MAXIMUS AND THEY'RE JUST LIKE, SURPRISED. THEY CAN'T UNDERSTAND IT, THEY GET IRATE. AND SO ANYTHING THAT THE PLANS CAN DO TO HELP WHEN YOU SEND A REDETERMINATION DENIAL NOTICE, IF YOU COULD INCLUDE WHATEVER LANGUAGE IT IS TO MAKE IT EASIER FOR THE ENROLLEES BECAUSE YOU'RE REALLY--YOU'RE REALLY HELPING THEM A LOT IF YOU LET THEM KNOW THAT THEY REALLY SHOULD BE AWARE IF THEY NEED TO GET AN APPOINTED REPRESENTATION, IF THEY INTEND FOR THAT SAME PHYSICIAN, FOR EXAMPLE, TO APPEAL UNDER PART D RECONSIDERATION. AND, YOU KNOW,

THIS STUFF IS REALLY MORE  
EXCITING. AND THEN FOR THE NEXT  
SLIDE, FOR THOSE WHO ARE MORE  
VISUAL LEARNERS, THE SAME  
INFORMATION, WHICH WE JUST WENT  
OVER IS PRETTY MUCH--WE  
EMPHASIZED HERE JUST IN A  
DIFFERENT FORMAT. NOW, FINALLY  
ON THE AUTOFORWARD RATES, IF  
YOU'LL NOTICE ON THIS NEXT  
SLIDE, TYPICALLY, WE GET MORE  
AUTOFORWARDS AT THE COVERAGE  
DETERMINATION LEVEL AS OPPOSED  
TO REDETERMINATION LEVEL. AND I  
THINK THAT MAKES A LOT OF SENSE  
WHETHER IT'S ON A HOLIDAY  
WEEKEND OR IN THE BEGINNING OF A  
PLAN YEAR, THE PLANS GET  
SURPRISED WHEN THEY GET THE  
APPEALS. THEY'LL TYPICALLY FIND  
THE HARDEST TIME DEALING WITH  
THEM IN THE COVERAGE  
DETERMINATION LEVEL, BUT THAT'S  
AN IMPORTANT CONSIDERATION FROM  
WHERE WE SIT IN THAT BECAUSE  
YOU'RE OVERWHELMED AT THAT POINT  
IN TIME, THERE MIGHT BE A LARGER  
TENDENCY TO SEND CASE FILES THAT  
ARE INCOMPLETE OR INCORRECT  
WHERE DON'T HAVE THE PROPER  
INFORMATION ON THE PHYSICIAN,  
WHERE THE DOSE OR DRUG MIGHT BE  
MISSING. AND THAT HAS LED TO A  
LOT OF PROBLEMS. SO, YOU KNOW,  
I CAN REEMPHASIZE WITH KATHRYN  
WHO SAID EARLIER ABOUT THE SAME  
PRESENTATION, I THINK THE  
BIGGEST VULNERABILITY IS FOR A  
LOT OF THE CASES THAT THE  
COVERAGE SHOULD DETERMINE  
DETERMINATION LEVELS IN THAT.  
SO JUST KEEP THAT IN MIND. AND  
ALSO, TOO, AGAIN, I KNOW KATHRYN  
HAD MENTIONED EARLIER THE  
PERCENTAGE OF AUTOFORWARDS.  
THAT HAS BEEN ONE OF MY BIGGER  
SURPRISES IN HANDLING FOR  
READINESS OF PART D QUICK  
PROJECT IN THAT I'M REALLY  
SURPRISED WITH THE NUMBER--THE

HIGH NUMBER OF AUTOFORWARD CASES COMPARED TO THE AVERAGE. SO ON THIS SLIDE, YOU CAN SEE THAT THE NUMBER OF AUTOFORWARD CASES ARE 48% VERSUS 52% THEY'RE ACTUALLY REQUESTED BY INDIVIDUALS. THERE IS SOMEWHAT OF AN ANOMALY IN THE BOSTON REGION IN THAT THE AUTOFORWARD PERCENTAGE WAS FAIRLY HIGH. AND AGAIN, THIS ONLY REFLECTS 2009 AND I'M NOT SURE, YOU KNOW, WHETHER THAT JUST REFLECTS, YOU KNOW, A COUPLE OF PLANS IN PARTICULAR WHO HAVE LARGE NUMBERS OF AUTOFORWARDS. WE HAVE TO HAVE THAT ASKED WHERE A PLAN WILL, FOR WHATEVER REASON, GET BEHIND AND THEN SEND US AN OVERWHELMING NUMBER OF AUTOFORWARD CASES. BUT OTHER THAN THAT, THE NATIONAL AVERAGE IS 48%. AND THE FINAL SLIDE JUST SIMPLY INDICATES THE SAME AUTOFORWARD INFORMATION JUST IN THE BAR GRAPH FORMAT. SO AT THIS POINT IN TIME, I'D LIKE TO OPEN THE FLOOR FOR ANY QUESTIONS YOU MIGHT HAVE.

>> BEFORE WE GET STARTED, I JUST WANT TO MENTION THAT THESE DATA SLIDES SHOULD BE POSTED ON THE CONFERENCE WEBSITE BY NOW. THERE WAS A LITTLE BIT OF GLITCH GETTING THOSE UP. BUT YOU SHOULD BE ABLE TO FIND THOSE AT THIS TIME.

>> ANY QUESTIONS? CAN YOU COME UP TO THE MIKE?

>> SURE.

>> THANK YOU SO MUCH.

>> JUST A SIMPLE QUESTION ON A SIMPLE CASE; WHAT DO YOU THINK WOULD BE THE NUMBER ONE THING, PLAN, WHICH IS A PREVENTABLE REASON FOR OVERTURNS? SO IF THERE IS SOMETHING THAT YOU GUYS SEE THE TREND IN PLANS. MAYBE IF THEY LOOKED AT A CERTAIN PIECE OR DID SOMETHING

DIFFERENTLY WOULD, YOU KNOW, NOT HAVE AS MUCH TURNOVER?

>> THAT'S HARD TO SPEAK TO BUT I CAN GIVE YOU SOME--SOME IDEAS ON THAT. WHAT WE SEE--I MEAN, IF YOU DO LOOK AT THE OVERTURNED DATA, A LOT OF IDEAS IS AS TO-- WITH PRIOR AUTHORIZATION SOMETIMES OR STEP THERAPY. AND WHAT WE WERE SEEING EARLY ON, BUT I WILL SAY IT HAS GOTTEN BETTER IS A LOT OF PLANS HAVE OVERTIME DOING WHAT WE CALL THE EXCEPTIONS ANALYSIS. SO IF A PLAN ISN'T REALLY GETTING US TO COME FORWARD WITH COMPLETE PHYSICIAN STATEMENT, WHEN IT COMES TO--WHEN THAT APPEAL COMES TO US, IN OTHER WORDS, IF A PRIOR AUTHORIZATION REQUEST IS DENIED, LET'S SAY AT THE PLAN LEVEL, IT REALLY COMES TO US, WE'RE GOING TO REQUEST A PHYSICIAN'S STATEMENT SURROUNDING THAT DRUG, GET THE INFORMATION THAT WE NEED TO GO AND PROCESS IT, IF WE GET THE INFORMATION TELLING THAT YOU DIDN'T NECESSARILY HAVE IT IN YOUR LEVEL AND WE GET THE APPROPRIATE INFORMATION THEN WE'RE GOING TO END UP APPROVING IT. SO IN A SENSE, THAT'S AN OVERTURN; IT'S NOT NECESSARILY BECAUSE OF SOMETHING WE DID WRONG PER SE. YOU KNOW, THERE MIGHT HAVE BEEN--YOU MAY NOT HAVE BEEN ABLE TO GET ALL OF THE INFORMATION YOU NEEDED. BUT OUR DOCTORS DO, LIKE, I FORGET TO MENTION THIS BUT OUR DOCTORS DO REACH OUT TO THE PRESCRIBER AND GET THE INFORMATION THAT WE NEED TO PROPERLY ADJUDICATE THE DEAL. SO SOMETIMES WE DO GET MORE INFORMATION THAT WE DO AT THE PRIOR LEVEL. OTHER TYPES OF OVERTURNS, I MEAN, I CAN'T REALLY--I CAN'T THINK OF ANYTHING ELSE OFF THE TYPE OF MY

HEAD THAT WOULD REALLY--YOU KNOW, ONE CAN'T ABSOLUTELY PREVENT OVERTURNS; YOU KNOW, THEY'RE GOING TO HAPPEN.

>> CAN YOU PLEASE STEP CLOSER TO THE MIKE?

>> JUST A QUICK QUESTION. CAN YOU JUST TALK A LITTLE BIT MORE ABOUT WHAT PERCENTAGES OF CASES DO YOU THINK YOU SEE ADDITIONAL INFORMATION THAT THE PLAN HAD RECEIVED? IS THAT A BIG FACTOR IN YOUR OVERTURN?

>> IT IS. IT DEFINITELY IS BECAUSE WE--I MEAN, 90% OF OUR CASES GO TO PHYSICIAN REVIEWS SO THAT WE BASICALLY HAVE A DOCTOR IN MORE THAN 90% OF THE APPEALS. AND SO MORE OFTEN THAN NOT, WE'RE GOING TO GET ADDITIONAL INFORMATION FROM THAT DOC THAT WAS NOT NECESSARILY AVAILABLE AT THE PLAN LEVEL.

>> SO WHAT ARE YOU DOING THAT WE'RE NOT DOING? I MEAN, HOW IS THAT YOU'RE SHARING THE INFORMATION AND WE'RE HAVING DIFFICULTY IN PLANS AND HAVING THE CASES THAT...

>> WE JUST ESTABLISHED A LOT...

>> AND WHAT CAN WE DO?

>> I MEAN, ON INDICATION, OUR PHYSICIAN--WE DO--WE CALL IT PEER TO PEER. SO SOMETIMES IT'S GETTING IT ALL TOGETHER THAT WOULD MAKE IT EASIER FOR ONE OF OUR PHYSICIANS TO PULL THE DOC AND GET THE INFORMATION, YOU KNOW, THAT WE WOULDN'T NECESSARILY EXPECT THAT, YOU KNOW, THAT WE CALL AT THE FLAT LEVEL. SO OUR DOCS DO--NOT THAT WE HAVE TO DO A PEER-TO-PEER CONSULT BECAUSE, SOMETIMES, WE HAVE TO DO--WE SEND OUT A REQUEST FOR INFORMATION WHICH IS WHAT KATHRYN WAS GOING THROUGH. WHEN WE GET A--WHEN WE GET THE INFORMATION FROM THE PLAN DOCTOR, THE PRESCRIBER, IT IS--

THAT'S WHY IT'S CRITICAL THAT WE KNOW WHO THE PRESCRIBER IS BECAUSE WE'RE GOING TO REACH OUT TO THAT ENTITY, THAT PHYSICIAN GROUP OF WHATEVER GROUP IT IS TO GET THE INFORMATION ABOUT THE ENROLLEE. WE WANT TO MAKE SURE THAT WE'RE SENDING IT TO THE RIGHT PLACE. AND WE DO SEND QUESTIONS THAT WE NEED AN ANSWER TO GET THAT APPEAL PROCESS. SO WE DO WIND UP PHI ISSUES, THAT WE'RE NOT SENDING IT TO THE RIGHT PLACE BUT WHEN WE GET THAT INFORMATION BACK, YOU KNOW, AND OUR DOCS CAN MAKE THIS APPEAL--THEY FEEL THAT'S, YOU KNOW, IT'S VERY HELPFUL.

>> I JUST WANTED TO ADD. REMEMBER, AT THE COVERAGE DETERMINATION LEVEL, YOUR CLOCK DOESN'T START UNTIL YOU GET THE PRESCRIBER'S SUPPORTING STATEMENT IF IT RELATES TO AN EXCEPTION REQUEST. SO IF THERE'S ANYTHING TO INDICATE THAT, FOR EXAMPLE, THE INDIVIDUAL CAN NOT MEET A COST UTILIZATION MANAGEMENT REQUIREMENT AND WHAT THEY'RE REALLY ASKING FOR IS AN EXCEPTION, AGAIN, YOU HAVE TIME TO REACH OUT TO THE PRESCRIBER BECAUSE IF IT'S AT THAT FIRST LEVEL, THE COVERAGE DETERMINATION LEVEL, YOUR EDUCATION TIME FRAME DOESN'T START UNTIL YOU HAVE THAT PRESCRIBER SUPPORTING STATEMENT. SO, THAT DOES, YOU KNOW, ADD SOME ADDITIONAL TIME TO REACH OUT AND TRY TO GET THAT INFORMATION.

>> ANYONE ELSE?

>> THERE'S A MEDICARE EXCLUDED DRUG. DOES THAT EVER COME TO YOU UP SOME OR...

>> ABSOLUTELY.

>> I HAVE--NUMBER ONE, I HAD AN AWFUL TIME FINDING MEDICARE

EXCLUDED DRUGS IN THEIR WEBSITE  
AND I KNOW THAT USUALLY THOSE  
BECAUSE I KNOW YOU'RE HOPING FOR  
PART D COMPLIANCE AND...

>> YOU'RE PROBABLY NOT BUSY...

>> OH, YEAH. BUT, AGAIN, ALL  
THE COMPLAINTS INCLUDING  
ENROLLMENT AND EVERYTHING ELSE--  
AND FREQUENTLY, I GET A DRUG HAS  
BEEN EXCLUDED BY MEDICARE, AND  
THE PHARMACY AREAS ARE UNAWARE  
OF IT BUT OBVIOUSLY I WOULD NOT  
BE BECAUSE I AM--WE'RE, LIKE,  
FINDING INFORMATION TO LET THEM  
KNOW THAT THEY CAN'T ANY LONGER  
MAKE ON THAT MEDICATION BUT THEY  
HAVE TO GO TO THE NEXT LEVEL OF  
DRUG REQUEST THAT'S MAYBE 200  
TIMES AS MUCH. AND, YOU KNOW,  
THEY WANT THIS IN WRITING. THEY  
WANT TO SEE WHAT MEDICARE'S  
EXCLUSION IS FOR A DRUG AND HAVE  
THAT SENT IN TO...

>> THE SHORT--THERE'S A COUPLE  
OF ANSWERS THERE. THE SHORT  
ANSWER IS, OBVIOUSLY, THE  
EXCLUSIONS ARE STATUTORY.  
CHAPTER 18, APPENDIX B, I  
BELIEVE, PARDON THE SARCASM--  
ANYWAY THERE'S AN APPENDIX IN  
CHAPTER 18 THAT LISTS THE  
MEDICARE PART D EXCLUDED DRUGS.  
THERE'S ALSO B VERSUS D APPENDIX  
THERE; IT'S VERY HELPFUL. IT  
SHOULD ALSO BE IN THE EOC, OKAY?  
ALL THE EOCs LIST WHAT DRUGS ARE  
NOT GOING TO BE COVERED BY THIS  
PLAN. AND YOU MENTIONED GOUT  
AND I KNOW YOU'RE TALKING ABOUT  
COLCHICINE.

>> PEOPLE DON'T TAKE IT ALL THE  
TIME, SO...

>> YES.

>> [INDISTINCT] UNDER YOU'RE EOB  
(PH) AND BECAUSE THEY DIDN'T  
KEEP IT [INDISTINCT] FOR FOUR  
MONTHS, SO THEY DIDN'T GET THE  
LETTER NUMBER ONE THAT WENT OUT...

>> RIGHT.

>> FROM THE PHARMACY AND NUMBER



TWO, THEY THINK THAT IT IS NOT A [INDISTINCT] BUT I HIT ON THE WEBSITE.

>> WE'RE SEEING--I DON'T KNOW IF THIS IS COINCIDENCE OR NOT, BUT WE'RE GETTING--WELL, I DIDN'T SAY COLCHICINE APPEALS FOR A VIAL, AND NOW THEY'RE COMING UP WITH AN ALJ LEVEL AND JUST SORT OF WE WANT AS A [INDISTINCT] THAT BECAUSE I KNOW A LOT OF FOLKS--I WASN'T TOLD RECENTLY EITHER BUT THERE IS A FDA-PROVED COLCHICINE PRODUCT ON THE MARKET NOW. IT'S CALLED COLCRYS.

>> AND IT'S LIKE 300 CALORIES FOR INVASIVE GOUT (PH).

>> BUT, YEAH. IT'S PROBABLY PRICY, HOWEVER, IF YOU CHECK OUT THE MANUFACTURING WEBSITE, THERE IS A VERY BENEFICIARY FRIENDLY AND GENEROUS--THAT'S HOW THEY DESCRIBE IT--PATIENT ASSISTANT PROGRAM. OKAY? SO I WILL NOW, YOU KNOW, AS THE PLANS GETTING TO THEIR FORMULARIES AND DON'T KNOW WHERE IT'S GOING TO END UP THE WHOLE CAUTIONARY SCHEME BUT WE HAVE A FEW DAYS OF RECOMMENDING THE FOLKS TO USE THIS BECAUSE THEY THEN ABSOLUTELY [INDISTINCT] LAST YEAR OF [INDISTINCT] OF OCTOBER, NOVEMBER 2009, MAYBE SEPTEMBER. SO IT'S RELATIVELY--FOLKS THAT DON'T HAVE GOUT, THEY DON'T EVEN KNOW IT'S, YOU KNOW, PEOPLE ARE [INDISTINCT] WITH THIS DRUG. IT'S JUST STARTING OUT TO GET THE RECOGNITION THAT IT SHOULD HAVE, BECAUSE THE FDA IS PROBABLY GOING TO END UP TAKING ENFORCEMENT ACTION AGAINST THE GENERAL MANUFACTURERS OUT THERE THAT DON'T HAVE AN FDA-APPROVED PRODUCT IN THE MARKET, BECAUSE THEY'RE HAVING SOME ISSUES WITH THE SAFETY OF THOSE MEDS SO.

>> NOT TO COMMENT SPECIFICALLY ON YOUR QUESTION, BUT JUST AS A

GENERAL COMMENT, I THINK THERE IS THIS EVER EVOLVING SAGA FOR THIS DRUG WITH THE FDA AND THE WHOLE PREYING ON [INDISTINCT], WHICH IS WHY YOU WILL NEVER SEE A MAGIC LIST BECAUSE IT'S INVOLVING AND THE FDA IS GOING AFTER MANUFACTURERS AND UNAPPROVED DRUGS OUT THERE--AND THERE ARE THOUSANDS OF THEM OUT THERE--BASED ON SAFETY CONCERNS FIRST. SO, THE FDA ISN'T IN QUITE A POSITION TO, OBVIOUSLY, PREPARE A LIST AND THEY'RE TACKLING GROUPS OF DRUGS AND ONE BY ONE. AND YOU'RE--SO YOU'RE NOT GOING TO SEE A MAGIC LIST BUT I WOULD SAY JUST TRY TO KEEP YOURSELVES AS ABREAST AS POSSIBLE BY CHECKING THE FDA WEBSITE AND THE CMS WEBSITES TO KEEP TUNE BECAUSE THERE'S SOMETHING NEW EVERY MONTH LIKE THE COLCHICINE EXAMPLE. THAT WILL ALWAYS KEEP CHANGING, SO WE JUST HAVE TO BE BRACED FOR IT AND HAVE SOMEBODY DEDICATED TO TRYING TO KEEP ON TOP THAT.

>> THANKS.

>> IS THERE A CATEGORY ON THE TYPE OF APPEALS THAT'S NOT COVERED BY PART D? ARE THOSE B VERSUS D DETERMINATIONS?

>> THEY COULD POSSIBLY BE INCLUDED IN THAT CATEGORY AND--WE'RE NOT COMING UP IN PART D AND THAT'S--WE'RE HOPING TO FINE TUNE THE MESS A LITTLE BIT IN THAT REGARD BECAUSE NOT COVERED ON YOUR PART D IS GOING TO INCLUDE YOUR STATUTORILY EXCLUDED DRUGS, YOUR DRUGS THAT ARE ELIGIBLE FOR PART B COVERAGE, YOUR NON FDA-APPROVED DRUGS. SO, FDA-APPROVAL IS A REQUIREMENT FOR PART D COVERAGE. IF YOU'RE DRUG HAS BE APPROVED BY THE--BY THE FDA FOR EXEMPT FROM APPROVAL, WHICH WE WON'T EVEN GET INTO FOR TODAY, FOR

THOSE OF THE REALLY, REALLY,  
REALLY OLD DRUGS THAT MAKE THE  
EXEMPTIONS TOOL. BUT ANYWAYS,  
SO NOT COVERED IN THE PART D  
MOVE UPGRADE EVENTUALLY AS WE  
IMPROVE THE OPTIONS AND THAT'S  
TO KIND OF BRING THAT DOWN TO  
SOME MORE SPECIFIC CATEGORIES.

>> SO AS I WORRIED, IF YOU'RE  
NOT UPHOLDING A PLANNED DECISION  
FOR THAT HAPPENING? I GUESS I  
DON'T UNDERSTAND HOW THAT'S SET  
UP. SO SOMETHING'S NOT COVERED  
IN THEIR PART D AND THE PLAN  
MAKES THE DETERMINATION OF THAT  
THEN IT GETS EVENTUALLY  
[INDISTINCT]. I'M JUST NOT SURE  
HOW THAT WORKS AS FAR AS  
UPHOLDING OR NOT UPHOLDING  
SOMETHING THAT'S NOT COVERED IN  
PART D. ARE YOU SAYING--IS THAT  
COVERED UNDER PART D?

>> NO.

>> MAYBE WE SHOULD FLIP BACK TO  
THAT SLIDE.

>> OKAY.

>> LET ME TAKE A LOOK.

>> IT'S KIND OF CONFUSING MY  
QUESTION.

>> I THINK WHAT HE'S SAYING IS  
THAT IF SOMETHING'S NOT COVERED  
UNDER PART D AND IS...

>> IT DOES.

>> [INDISTINCT] WHAT DOES THAT  
ACTUALLY MEAN? WHAT HAVE YOU  
OVERTURNED? SO ARE YOU SAYING  
IT'S COVERED UNDER PART B?

>> ALL RIGHT. YES, IF WE HAVE  
RETURNED THAT CATEGORY, IT MEANS  
WE'RE SAYING IT IS COVERED...

>> IT IS COVERED UNDER PART D.

>> YES.

>> MAYBE IF THERE WAS A TIME TO  
GET [INDISTINCT]

>> CORRECT. CORRECT.

>> IT COULD BE AN  
INTERPRETATION.

>> AND THAT MAKES UP THE  
PRESENTATION.

>> RIGHT. I MEAN, THAT'S--YEAH,

I MEAN ONE OF THE CATEGORIES  
ENOUGH COVERED UNDER PART D IS  
NON MAI, NOT MEDICALLY ACCEPTED  
INDICATION. OKAY? SO IF YOUR  
PHARMACIST OR MEDICAL  
[INDISTINCT] INTERPRETED MEDICAL  
CITATIONS DIFFERENT THAN OUR  
POSITION, [INDISTINCT] THEN  
THERE COULD BE AN OVERTURN  
THERE. BUT IT'S VERY, RARE THAT  
WE'RE GOING TO OVERTURN A NON-  
FDA APPROVED DRUG OR AN EXCLUDED  
DRUG. I MEAN, THOSE ARE--THOSE  
ARE AREAS WHEN IT MIGHT  
DEFINITELY GET LIBERATED.

>> SURE. OKAY.

>> I DON'T THINK TYPICALLY, MAI  
WILL BE [INDISTINCT].

>> YES. NON-MAI WILL PROBABLY  
BE--WHICH FALLS INTO THAT  
CATEGORY. YEAH.

>> OKAY. ANY MORE QUESTIONS?

>> NO.

>> WELL, I THANK YOU ALL FOR  
ATTENDING AND PLEASE FILL OUT  
YOUR SURVEYS AND PLEASE HAND  
THEM ON TO THE BACK AT THE DOOR  
WHEN YOU'RE LEAVING. WE GREATLY  
APPRECIATE THAT. HAVE A GREAT  
DAY AND THANK YOU TO OUR  
SPEAKERS.