



CMS 2010 MEDICARE ADVANTAGE & PRESCRIPTION DRUG PLAN SPRING CONFERENCE

Sheraton Baltimore City Hotel, April 20-21, 2010

Verbatim Transcript

Part D Regulatory Changes: Overview of CMS-4085 Changes

GOOD AFTERNOON, EVERYONE.

I'M HERE TODAY TO DISCUSS
THE RECENT REGULATORY CHANGES

TO THE PART D APPEALS PROCESS.

THE TWO RULES THAT I'LL BE
DISCUSSING TODAY

ARE CMS RULE 4085,
THE FINAL VERSION

AND CMS RULE 4127, ALSO FINAL,

AND CMS 4085, WE MADE
A NUMBER OF CHANGES

THAT WE BELIEVE WILL IMPROVE
THE PARTY COVERAGE DETERMINATION

AND APPEALS PROCESSES
FOR ENROLLEES

AND PART D PLAN SPONSORS.

I'D LIKE TO HIGHLIGHT
SOME OF THOSE CHANGES TODAY.

UNDER 4085, WE ARE NOW
REQUIRING PLAN SPONSORS

TO ACCEPT BOTH ORAL
AND WRITTEN REQUESTS

FOR STANDARD COVERAGE
DETERMINATIONS

WITH ONE EXCEPTION,
AND THAT IS,

REQUESTS THAT WERE MADE FOR

PAYMENT MUST BE MADE IN WRITING

UNLESS A PLAN SPONSOR DECIDES TO
ACCEPT THOSE REQUESTS ORALLY.

ONE OF THE MORE
SIGNIFICANT CHANGES

INVOLVES REVISING THE TIME FRAME
THAT PLAN SPONSORS HAVE

FOR PROCESSING REQUESTS FOR
REIMBURSEMENT FROM ENROLLEES.

UNDER THE CURRENT REGULATIONS,
OR THIS 4085,

WE BASICALLY ARE SAYING--

REQUIRING PLAN SPONSORS
TO PROCESS THESE REQUESTS

WITHIN 14 CALENDAR DAYS
FROM THE RECEIPT,

AND I WOULD ALSO NOTE THAT--

UNLIKE NORMAL COVERAGE
DETERMINATION REQUESTS

WHERE THEY INVOLVE
AN EXCEPTIONS REQUEST,

LIKE A REQUEST FOR
AN OFF-FORMULARY DRUG

TO A TIERING EXCEPTION--
UNDER THOSE CIRCUMSTANCES,

WHEN YOU'RE REQUESTING BENEFITS,

AS ALL OF YOU PROBABLY
ALREADY KNOW,

THE ADJUDICATION TIME FRAME
IS TOLD UNTIL YOU RECEIVE

THE PHYSICIAN'S
SUPPORTING STATEMENT.

WELL, THAT'S NOT TRUE ANYMORE FOR
THE REIMBURSEMENT REQUEST.

IF A REIMBURSEMENT REQUEST

INVOLVES AN EXCEPTION,

YOU HAVE 14 CALENDAR DAYS
FROM THE DATE

THAT YOU ACTUALLY RECEIVED
THE REQUEST,

AND IT'S NOT TOLD
FOR THE SUPPORTING STATEMENT.

THIS SLIDE AND, ACTUALLY,
THE FOLLOWING TWO SLIDES

EXPLAIN THE NOTICE REQUIREMENTS

FOR STANDARD COVERAGE
DETERMINATIONS,

EXPEDITED
COVERAGE DETERMINATIONS,

AND REDETERMINATION DECISIONS.

WE NOW REQUIRE PLAN SPONSORS
TO PROVIDE WRITTEN NOTICE

OF ANY DECISION IT ISSUES,
WHETHER ADVERSE OR FAVORABLE,

STANDARD OR EXPEDITED.

AS MOST OF YOU KNOW,
IN MOST SITUATIONS,

PLAN SPONSORS CAN PROVIDE
THE INITIAL NOTICE ORALLY

SO LONG AS YOU PROVIDE
A WRITTEN FOLLOW-UP NOTICE

WITHIN 3 CALENDAR DAYS
OF MAKING THE ORAL NOTICE.

THAT'S NOT GONNA CHANGE.

THE ONLY EXCEPTION
IS FOR THE NOTICE

OF STANDARD
REDETERMINATION DECISIONS.

WE'RE GONNA STILL CONTINUE
TO REQUIRE--

IT DOESN'T MATTER IT IT'S
ADVERSE OR FAVORABLE.

WE'LL STILL REQUIRE
PLAN SPONSORS

TO MAKE THAT NOTICE IN WRITING
WITHIN 7 CALENDAR DAYS

AFTER RECEIVING THOSE REQUESTS.

WE ALSO ADDED SOME FORM
AND CONTENT REQUIREMENTS

FOR FAVORABLE DECISION NOTICES.

PLAN SPONSORS MUST PROVIDE
THE CONDITIONS OF APPROVAL

IN YOUR FAVORABLE
DECISION NOTICES.

CONDITIONS OF APPROVAL
MAY INCLUDE

DURATION OF THE APPROVAL,

ANY LIMITATIONS THAT ARE ASSOCIATED
WITH THE APPROVAL,

AND ANY COVERAGE RULES
THAT ARE APPLICABLE

TO ANY SUBSEQUENT REFILLS.

AT THIS TIME, WE DON'T HAVE
THE MODEL NOTICE

FOR THESE FAVORABLE
DECISION NOTICES,

SO IT WILL BE
UP TO THE PLANS TO DECIDE

HOW TO MEET THESE
REGULATORY REQUIREMENTS.

YOU'LL NOTE THAT
AT SOME TIME IN THE FUTURE,

WE MAY DEVELOP OUR OWN
MODEL NOTICE

OR POSSIBLY EVEN
A STANDARDIZED NOTICE.

BEFORE GOING ON
TO THE CMS RULE 4127,

I'D LIKE TO MENTION
THAT WE ARE CURRENTLY REVISING

CHAPTER 18 OF THE PRESCRIPTION
DRUG BENEFIT MANUAL

TO CAPTURE ALL OF THE CHANGES

THAT I'M TALKING ABOUT
HERE TODAY.

IN THE COMING WEEKS,
WE'LL POST A REDLINE VERSION

OF THAT DOCUMENT
ON OUR CMS WEB SITE,

THE PART D APPEALS WEB PAGES,
AND YOU'LL HAVE AN OPPORTUNITY

TO COMMENT ON THOSE
PROPOSED CHANGES.

WE'LL ANNOUNCE THAT POSTING
ON AN UPCOMING USER GROUP CALL,

AND WE'LL ALSO DURING THAT CALL TELL
YOU HOW LONG YOU HAVE

TO SUBMIT THE COMMENTS AND
WHERE TO SUBMIT THE COMMENTS,

AND ONCE WE'RE DONE WITH
MAKING THE REVISIONS

TO THAT CHAPTER, WE'LL POST
THAT ON OUR CMS WEB SITE,

AGAIN THE PART D
APPEALS WEB PAGES,

AND WE'LL SEND AN HPMS MESSAGE
OUT TO EVERYONE

LETTING PEOPLE KNOW
THAT THIS FINAL VERSION

HAS BEEN PUBLISHED.

OK, SO THE SECOND RULE
I WANT TO DISCUSS IS 4127.

IT ESSENTIALLY ESTABLISHES
THE PROCESSES

FOR PART D REOPENINGS,

ADMINISTRATIVE
LAW JUDGE HEARINGS,

MEDICARE APPEAL COUNCIL REVIEW,

AND REVIEW BY A FEDERAL
DISTRICT COURT.

MOST OF IT YOU DON'T REALLY NEED
TO PAY THAT MUCH ATTENTION TO

BECAUSE IT DOESN'T REALLY
AFFECT YOUR DAY-TO-DAY
BUSINESS OPERATIONS,

BUT WHAT YOU SHOULD
PAY ATTENTION TO

ARE THE REOPENING PROVISIONS
WHICH ARE CONTAINED

IN SECTIONS 423.1978
THROUGH 1986.

ESSENTIALLY, UNDER
THE REOPENING PROVISIONS,

PLAN SPONSORS ARE ALLOWED
TO REOPEN OR REVISE A DECISION

THAT THEY'VE MADE,
WHETHER IT BE

A COVERAGE DETERMINATION
DECISION

OR A REDETERMINATION DECISION.

THE ONLY CAVEAT IS, ONCE AN ENROLLEE
APPEALS THAT DECISION,

YOU NO LONGER HAVE
THE JURISDICTION

TO REVIEW THAT DECISION,

AND THAT'S THE TRICKY PART,

IS YOU'RE GONNA
HAVE TO FIGURE OUT HOW--

YOU'RE GONNA HAVE TO KNOW
WHETHER OR NOT

THE DECISION HAS BEEN APPEALED.

YOU JUST CAN'T BLINDLY REOPEN,
AND HOW YOU'RE GONNA DO THAT,

REALLY, YOU'RE GONNA
HAVE TO FIGURE THAT OUT,

AND I THINK, POSSIBLY,
ONE SOLUTION TO THAT

IS CONTACTING MAXIMUS
AND FINDING OUT FROM MAXIMUS

WHETHER OR NOT THAT DECISION
HAS BEEN APPEALED

AND WHETHER OR NOT YOU STILL
HAVE THE AUTHORITY

TO EVEN REOPEN THAT DECISION.

A DECISION MAY BE REOPENED
ON YOUR OWN MOTION,

A PLAN'S OWN MOTION,
OR BASICALLY AT THE REQUEST

OF AN ENROLLEE WITHIN ONE YEAR
OF THAT DECISION

FOR ANY REASON AT ALL OR
WITHIN 4 YEARS FOR GOOD CAUSE.

NOW, GOOD CAUSE,
I COULD TELL YOU WHAT IT IS,

BUT YOU'D PROBABLY
BE BETTER SUITED GOING

TO SECTION 423.1986

TO FIND OUT WHAT GOOD CAUSE
ACTUALLY MEANS.

AND PLAN SPONSORS ALSO CAN

REOPEN THEIR DECISION

ON THEIR OWN MOTION AT ANY TIME
IF RELIABLE EVIDENCE

OF FRAUD OR
A SIMILAR FAULT EXISTS,

AND, AGAIN, YOU CAN GO
TO THE REGULATIONS,

SECTION 405.902, TO DETERMINE
WHAT RELIABLE EVIDENCE

OF FRAUD OR SIMILAR FAULT IS.

SO A DECISION TO REOPEN
IS NOT SUBJECT TO REVIEW,

AND THE FILING
OF A REOPENINGS REQUEST

DOESN'T RELIEVE A PLAN SPONSOR
OF HIS OBLIGATION

TO PROVIDE BENEFITS
OF MAKE PAYMENT.

ESSENTIALLY, THAT IS ALL THAT
I HAVE FOR YOU AT THIS POINT,

AND I WOULD LIKE TO TURN
THE PRESENTATION OVER

TO JERRY MUSHENO FROM MAXIMUS.

OK. GOOD AFTERNOON,

AND FOR THOSE OF YOU WHO ARE
LOOKING AT YOUR WATCHES,

THE GOOD NEWS IS THAT
I BASICALLY ONLY HAVE

A FEW HOUSEKEEPING DETAILS
TO GO OVER.

THERE ARE A FEW
ADMINISTRATIVE MATTERS

WHERE PLANS CAN CONTRIBUTE

TO THE EFFICIENCY
OF THE CASE PROCESSING,

AND YOU MAY NOT REALIZE
JUST HOW IMPORTANT

YOU CAN BE IN THAT PROCESS.

THE FIRST ITEM IS ACTUALLY
WHERE WE PROCESS THE CASES.

THE AUTO-FORWARDED CASES
AND ALL THE DRUG CASES,

FOR THAT MATTER, ARE PROCESSED

IN OUR FAIRPORT, NEW YORK,
OFFICE,

AND ALTHOUGH WE DO HAVE
SOME DUPLICATION

IN THE LEP PROCESSING,
WE ARE ENCOURAGING PLANS

TO SUBMIT THE LEPS
TO THE KING OF PRUSSIA OFFICE,

AND THAT WILL GO A LONG WAY
TOWARDS HELPING

THE EFFICIENT CASE PROCESSING.

ALSO, ANOTHER THING THAT
YOU MAY NOT THINK ABOUT

IN TERMS OF THE CONTACTS
AT THE VARIOUS PLANS--

YOU HAVE CONTACTS
FOR DRUG APPEALS,

CONTACTS FOR LEP APPEALS--
WE ORGANIZE AND ORCHESTRATE

THAT DATABASE IN
FAIRPORT, NEW YORK,

AND WE HAVE A VERY ABLE-BODIED
PLAN LIAISON

WHO IS RESPONSIBLE
FOR THAT FUNCTION,

AND I THINK YOU CAN GET
AN APPRECIATION

FOR JUST HOW MANY PLANS
THERE ARE

AND ALL THE DIFFERENT OFFICES
THAT YOU HAVE,

AND IT IS REALLY CRITICAL
THAT MAXIMUS

HAVE THE MOST CURRENT
INFORMATION

THAT YOU HAVE AVAILABLE,
AND IN TERMS OF THAT,

WE DO HAVE A PLAN CONTACT FORM
ON OUR WEB SITE

THAT YOU CAN PULL DOWN,

BUT EVEN IF YOU JUST WERE
TO E-MAIL OUR PLAN LIAISON,

THE E-MAIL ADDRESS
ISN'T ON THERE,

BUT I CAN CERTAINLY
GIVE IT TO YOU NOW.

IT'S SUZAN ELZEY--

THAT'S S-U-Z-A-N ELZEY,
E-L-Z-E-Y,

@MAXIMUS.COM,

AND BY KEEPING SUZAN
IN THE LOOP

AND HAVING A VERY ACCURATE
DATABASE,

WE CAN DO SO MUCH
FOR THE MEDICARE PART D PROGRAM

IN GENERAL IN TERMS OF KEEPING
EVERYTHING VERY EFFICIENT.

ONE OTHER HOUSEKEEPING MATTER
THAT I WANTED TO BRING UP

IS TO ILLUSTRATE OR UNDERSCORE
THE IMPORTANCE

OF CORRECT CASE FILE
TRANSMITTAL INFORMATION.

IT'S NOT ENOUGH IN A CASE FILE
THAT THE INFORMATION

RELATED TO THE PARTICULAR
DRUG COVERAGE AT ISSUE

IS ACCURATE, BUT THAT THE PHYSICIAN
CONTACT INFORMATION

IS ACCURATE, AS WELL,
FOR EXAMPLE, THE FAX NUMBER.

ON A NUMBER OF OCCASIONS,
WE GET INFORMATION

WHERE THE DOCTOR'S INFORMATION
IS INCORRECT,

AND THAT LEADS TO INCORRECT
OR, ULTIMATELY,

TO INADVERTENT DISCLOSURES,
AND THE WAY THAT OCCURS,

THERE ARE A FAIRLY GOOD
PERCENTAGE OF CASES THAT WE GET

WHERE WE NEED TO CONTACT
A PHYSICIAN

FOR ADDITIONAL INFORMATION,
AND IF WE SUBMIT A FAX

REQUESTING THAT INFORMATION
TO THE WRONG DOCTOR'S OFFICE,

THAT'S AN INADVERTENT
DISCLOSURE,

AND, CERTAINLY,
NONE OF US WANT THAT,

AND SO JUST PLEASE
BE, YOU KNOW, CAREFUL

HOW YOU COMPLETE THE CASE FILE
TRANSMITTAL FORM,

AND, AGAIN, JUST
THESE FEW SUGGESTIONS

THAT I'M THROWING OUT THERE,
I THINK, WILL ADD SIGNIFICANTLY

TO THE CASE PROCESSING
EFFICIENCY

AND THE OPERATION
OF THE PROGRAM.

THANK YOU.