Health Plan Part D and PDE: Part D Lessons Learned from the Part D Compliance Team – An Interactive Workshop

NPA Presentation – Tuesday 10/20/15 3:30 – 5:00 PM

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At the completion of the program the participant will be able to:

1. Think strategically in terms of Part D growth and transition planning;
2. Gain finer awareness of intricacies of Part D compliance;
3. Identify best practices by the PBM on PDE communication between PO’s Business and Compliance Office, CMS, Milliman, and Pharmacies;
4. Know how to structure a successful Part D compliance team.
Agenda

- History and Background Mercy LIFE
- Demographics
- Core Compliance Structure
  - Roles and Responsibilities
    - Medical Director
    - Director of Finance
    - PBM Account Manager
    - Director of Compliance
- Operational Excellence
  - Part D Audits
  - Communication
- Best Practice and Lessons Learned
History of Mercy LIFE

- **1998** - St. Agnes LIFE Columbus Boulevard center opened with ten participants
- **2005** - Gray’s Ferry center opened
- **2005** - Mercy LIFE became dually capitated
- **2006** - Part D went into effect
- **2007** - Mercy LIFE DBA name change effective, no longer St. Agnes LIFE
- **2009** - North Hancock center opened
- **2009** - Columbus Blvd. center closed while building Broad Street center
- **2010** - Contracted with PBM
- **2010** - Broad St. center opened
- **2014** - Approved to provide PACE in Delaware County. Valley View center opened at a residential facility for Deaf and Deaf/blind seniors.
2014 - Sharon Hill center opened in Delaware County and the Gray’s Ferry center closed.

2015 - Partnered with Assisi House to provide PACE services to a religious community of 70+ homebound Sisters of St. Francis who are participants of the Sharon Hill center.
Mercy LIFE Corporate History

- **1998** - St. Agnes LIFE center opened. Dept. of St. Agnes Medical Center and reporting to the St. Agnes Board, part of Catholic Health Initiatives (CHI)
- **2001** - St. Agnes Medical Center became part of Mercy Health System (MHS) and Catholic Health East (CHE). St. Agnes LIFE now sponsored by HOPE Ministry.
- **2005** - St. Agnes Medical Center closed and became part of St. Agnes Continuing Care Center (SACCC) reporting to the SACCC & HOPE Boards.
- **2007** - Mercy LIFE DBA name change effective
- **2008** - Mercy LIFE became part of Mercy Home and Community Services reporting to Mercy Health System Board
- **2013** - Trinity Health and CHE merged, now called Trinity Health
- **2015** - Mercy LIFE now reports to MHS and Trinity PACE
LIFE Membership: 672 participants

- Average age 77 years
  - Single cap 8%
  - Dual cap 92%

- Sex
  - Males 28.7% Female 71.3%

- Race
  - Caucasian 40%
  - African American 46%
  - Hispanic 12.6%
  - Other 1.4%
LIFE Membership:
- Average length in plan
  - 2 years 8 months

Risk scores as of September 2015:
- HCC 2.61 (Sept 2015)
- Rx HCC 1.84
Ongoing Monitoring $ PMPM

$ PMPM

- All PACE Nat Avg 2012
- Part D 2012
- Part D 2013
- Part D 2014
- All PACE Nat Avg 2014
Rx

- $PMPM / center
- Drug spend
  - IB vs. CB
- Populations
  - Medicaid only PMPM
  - HIV
  - ESRD
Core Compliance Team

- Medical director
- Finance director
- Director of Compliance
- PBM account manager
- Ad hoc Team members
  - Provide ancillary support
    - Pharmacy account manager
    - Center director
    - Nurse Manager
    - Medical Director, Delaware County
Medical Director Part D Duties

- Proactive versus reactive
- Formal and Informal
- Work with PBM in setting parameters and process
- Role in front end prior auth process communicating with contracting pharmacies i.e. the fill parameters
- Understand intricacies of current pharmacy and plan for short fills (risk of cost overrides)
- Educating providers
  - Narcotics; Generics
  - Weekdays, afterhours and weekends
Medical Director Part D Duties

- Routine and urgent ordering process
- Monitor short fills and refills too soon, duplicate fills
- Diversion oversight
- Action plan with pharmacy to change dispensing cycles and ensure members’ continuity of meds and minimize excess
Medical Director Duties

- Drug utilization
  - High cost (inhalers)
  - High volume
  - Track % generic
  - Vaccines - Part D vs. B
- Identify by center
- Analyze differences
- Understand sub population utilization patterns
  - HIV, Multiple sclerosis, hepatitis, hospice
- Be a contact for the med room RN for new enrollees
Examples of Medical Director oversight:

- **Staff Education Pharmacy Utilization**
  - % Generic
  - # Part D Rx PMPM

- **Part D Annual PI Project- Annual**
  - Monitor Appropriate Use of Antipsychotics
  - Monitor order vs dispenses i.e OTC’s

- **Part D Ongoing Monitoring**
  - % Antipsychotics
  - $ PMPM
Lecture: Narcotic Misuse and Diversion

- All Colleague Annual In-service
- November 12, 2014
- Met compliance need for FWA education
- Diversion and misuse addressed
- Addressed staff request for narcotic discussion
  - General understanding of diversion
- Competency-Added 4 post test questions
**QI**: CMS Part D: Antipsychotic Prescription Usage 2014

**Persons Responsible**: Dr. Donna Raziano, Dr. Joseph Straton, Robert Alesiani - PharmD

**Background**: Regarding antipsychotic medication prescribing for participants in the Mercy LIFE program, our goal is to minimize the usage of antipsychotic medications to only those participants who require them for the management of psychotic disorders or substantial psychotic symptoms of related disorders.

**Table 1**

<table>
<thead>
<tr>
<th>Center</th>
<th>Participants Prescribed Antipsychotic Medications</th>
<th>Total Participants</th>
<th>Percent of Participants Prescribed Antipsychotic Medications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Feb 2009</td>
<td>24</td>
<td>255</td>
<td>9.4%</td>
</tr>
<tr>
<td>Total Aug 2012</td>
<td>47</td>
<td>453</td>
<td>10.3%</td>
</tr>
<tr>
<td>Total Nov 2013</td>
<td>67</td>
<td>496</td>
<td>13.5%</td>
</tr>
<tr>
<td>Total Jan 2014</td>
<td>66</td>
<td>525</td>
<td>12.6%</td>
</tr>
</tbody>
</table>
**Methodology:** All antipsychotic medication prescriptions were extracted from our pharmacy database for all of our participants, by center, for the month of May 2014. The calculation is \(\% = \frac{(\text{At least one Rx/ per member filled in current month})}{100}\)

**Summary Results:** The results of antipsychotic prescriptions for May 2014 are presented in table below.

**Table 2**
A review by each participant was conducted to confirm diagnosis. The table below is revised to address the usage only among participants with dementia.

<table>
<thead>
<tr>
<th>Center</th>
<th>Participants Prescribed Antipsychotic Medications</th>
<th>Total Participants</th>
<th>Percent of Participants Prescribed Antipsychotic Medications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad Street</td>
<td>19</td>
<td>169</td>
<td>11.2%</td>
</tr>
<tr>
<td>Grays Ferry</td>
<td>6</td>
<td>120</td>
<td>5 %</td>
</tr>
<tr>
<td>North Hancock</td>
<td>26</td>
<td>205</td>
<td>12.6%</td>
</tr>
<tr>
<td>Valley View</td>
<td>10</td>
<td>32</td>
<td>31.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>526</strong></td>
<td><strong>11.5%</strong></td>
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</tbody>
</table>
**Overall rate of antipsychotic prescriptions:** The overall percentage of participants prescribed antipsychotic medications in the Mercy LIFE program is 11.5% for May 2014 which is well below the national average rate of 14.5% for similar PACE older adults.

Our overall rate of antipsychotic usage with participants with dementia with psychosis and/ or complications is 15.8%. This is much lower than expected industry benchmark of 24%. In addition since we identified this PI project in early 2014 and educated primary care staff along with our consultant pharmacist we decreased our overall rate from 12.6% to 11.5%.

**Antipsychotic prescriptions by center:** Looking at the rates of prescriptions for antipsychotic prescriptions by center, we find there is variation. The percentage of participants prescribed antipsychotic medications is 5% at the Grays Ferry center, 11.2% at the Broad Street center, 12.6% at the North Hancock center, and 31% at the Valley View center.

**Summary & Goal:** In summary, our project results demonstrate that we are appropriately prescribing antipsychotic medications for our participants and are satisfactory below all benchmarks.

**Table 3**

<table>
<thead>
<tr>
<th>Center</th>
<th># Participants Prescribed Antipsychotic for Dementia with psychosis and/or complications</th>
<th>Total Participants</th>
<th>Percent of Participants Prescribed Antipsychotic Medications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad Street</td>
<td>5</td>
<td>169</td>
<td>2.95 %</td>
</tr>
<tr>
<td>Grays Ferry</td>
<td>3</td>
<td>120</td>
<td>2.5 %</td>
</tr>
<tr>
<td>North Hancock</td>
<td>6</td>
<td>205</td>
<td>2.92 %</td>
</tr>
<tr>
<td>Valley View</td>
<td>2</td>
<td>32</td>
<td>6.25 %</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>16</strong></td>
<td><strong>526</strong></td>
<td><strong>3.04 %</strong></td>
</tr>
</tbody>
</table>
Pharmacy Utilization: Trending Antipsychotic Use 2014-2015

- Broad St
- Greys Ferry
- Hancock
- Valley View
- Sharon Hill
- Assisi House*
  *16.7% starting down to 11.5% in Sept 2015
- Pharmacy National Average

Qtr 1 2014 | Qtr 2 2014 | Qtr 2 2015
Medical Director Lesson Learned

- Pharmacy network needs communicated to PBM
  - Current primary and back up pharmacies for each location need to be contracted with PBM
  - Communicate with pharmacies with assistance of provider relations
- Incorporated process for brand OTC
- Lessons learned with Sisters of St Francis
  - Lead time before go live
  - Thorough med checks/ all meds checked and pre-entered and signed off
  - Enrolled process streamlined/ few PA
Director of Finance Part D Duties

Reconciliations
- Monthly PDE submissions
  - Correct Error Report
  - Monthly Enrollment/Disenrollments and Transfers
- Monthly Reserve Model – update actual activity compared to Part D Bid
- Monthly P2P payments to other Plans

Annual Reconciliations
- PDE
- MMR report
- Reserve model
  - Keep on track bid process
- P2P
Upload annual Part D attestation

Enrollments

Disenrollments

Process - Fine tuned first business day of the month
  • PO to CMS Part D
  • PO to PBM

PO to PBM eligibility changes
Director of Finance Part D Duties

- Responsible for Bid Process
  - Submit information to Actuary
  - Complete Administrative Worksheet and Related Party Worksheet
- Submit changes for the next year (membership projections, PBM, Pharmacies contracts)
  - Due diligence with data gathering
  - Review and approve the Part D Bid that will be submitted to CMS.
Best practice Communication

1. PO and PBM
2. PO inter-departmental (enrollment/intake, business office, social work/disenrollment, eligibility, hospice etc.)
3. PO and Actuary
Director of Finance Lessons Learned

- Assisting in choosing a PBM Partner
- Milliman - Part D bid
- Operational excellence
  - Bid process refined
- Training new accountant staff on Part D enrollment processes
  - Lessons learned- disenrollments/ enrollments
  - Interdepartmental communication (i.e. deaths)
- Denials
- Hospice
Refining administrative processes along the way

- Awareness of staff time spent on over-rides (pro-active oversight) vs. retrospective review

Administrative duties

- Roles and responsibilities
- Adding new staff accountants-onboarding
  - Training, orientation and competencies
Director of Finance Lessons Learned

- Adding a center:
  - 90 day prior
  - 60 days
  - 30 days
  - 2 weeks prior
  - 1 week post

- Go live communication points
  - Account setup in claims system
  - Member account changes prior to opening day

- Transferring participants from other PACE plans and from other centers
  - Activate medications at other center
PBM value added

- PDE timing issues in lieu of TPA
- PDE rejection rate/ improved accepted rate
- Needed a PDE Part D specialist in PDE submissions/ format/ data format
- Ensure regulatory compliance and FWA oversight at the claims adjudication level
- Maintain updated OIG exclusion list
- Provide CMS audit support
- Ensure smooth relationship with pharmacy(ies)
The PBM account manager

• Serves as a point of contact and liaison between the PACE plan and the operational departments of the PBM
• Participates in Part D compliance calls
• Escalates PO concerns
• Resolves issues
• Ensures accurate and timely completion of PO’s projects
Monthly PBM drug utilization reports

- Enable oversight compliance and monitoring of medication costs
  - Narcotics
  - Infection control
  - Antipsychotics
  - Anticoagulants
  - Specialty drugs
- Provide opportunity to review and revise medication regimens
Use of a PBM allows the PO to proactively monitor drug utilization and control costs:

- Set up claim parameters with limits
  - Days’ supply
  - Refill-too-soon
  - High dollar limit
- Mandatory generic substitution parameter
  - Helps the PO control drug costs
  - Ensures that the PO authorizes the utilization of brand-name drugs only when medically necessary
The claim parameters and the override process allows clinical staff to:

- Be aware of early refill patterns and intervene with patients/caregivers
- Track high dollar medications and assess potential lower cost alternatives
- Control days’ supply quantities to prevent waste from dosage or medication changes

Claim parameters drive override and prior authorization requirements
Process Flow Example for Refill-Too-Soon Overrides

1. Pharmacy submits claim
2. Claim rejects for refill-too-soon
3. Pharmacy contacts PBM Help Desk to request override
4. Help Desk contacts PO to approve/disapprove override
5. PO approver states number of refills or end date allowed
   - If approved (Yes), HD enters override into member’s account
   - If disapproved (No), HD contacts pharmacy to resubmit claim
6. Pharmacy resubmits and gets paid claim
7. Pharmacy dispenses medication
   - Override not placed, claim not paid
Choosing the right Pharmacy Partner

- Selection criteria (a starting point)
  - Medical Director’s concept of the plan’s prescription benefit and clinic operation
  - Your members’ needs
    - Medi-sets?
    - Mid-day meds?
    - Home delivery?
  - Pharmacy’s desire to work with PACE
- Would you like the pharmacy to participate in Part D compliance, IDT, or clinic staff meetings?
Pharmacy Partner Selection Process Suggestions

- Make a prioritized list of needs and wants
- Check with your PBM for a list of network pharmacies
- Consult with other area health plans for recommendations
- Set up interviews with selected pharmacies
- Schedule follow-up calls/meetings with your staff, the PBM, and the pharmacy for Q&A
- Ask for examples of how the pharmacy would handle your specific needs/wants
- **2006** - Medicare Part D became effective
- **2008** - First CMS Part D audit – primarily P & P’s
- **2010** - Contracted with Milliman for FWA quarterly reports
- **2010** - Contracted with PBM
- **2010** - Second CMS Part D audit
- **2010** - Contracted for Part D FWA on-site assessment from Milliman
- **2011** - Part D Quarterly Compliance Committee started
- **2011** - Monthly PBM oversight meetings started
- **2012** - Third CMS Part D audit
- **2014** - Fourth CMS Part D audit - cancelled
- **2015** - 1/3 2013 CMS Financial Audit in process (along with 30 other PACE programs)
Primary compliance recommendations included implementation of the following:

- Annual Part D FWA work plan
- Part D Compliance Committee meeting quarterly
- Process for reporting Part D compliance up to our board

All three recommendations were implemented in 2011.
Part D Compliance Oversight Structure

- MHS Trustees Annual Report
- MHS Compliance Committee Part D Compliance Annual Report
- Mercy LIFE Part D Compliance Committee Quarterly
- PBM Oversight Meeting Monthly
PBM oversight monthly meeting

**Purpose & frequency**

Build in regular communication re. routine Part D topics and upcoming changes (ex. center opening or closing) that will require planning and scheduling  - Monthly

**Members**

Core team – Medical director, Finance director, PBM Account Manager, Director of Compliance

**Standard topics**

Issues identified in quarterly FWA report from actuary, PDE, rebates, other (ex. reports needed from PBM for HPMS reporting), any major changes going on at Mercy LIFE
# Part D Quarterly Compliance Committee Meeting

## Purpose & frequency

Official Part D compliance committee to provide oversight, coordination, work plan, FWA reporting, etc. - Quarterly

## Members

Core team – Medical director, Finance director, PBM Account Manager, Director of Compliance plus COO, CFO, MHS VP of Compliance, MHHS VP of Quality and Compliance, assistant medical director

## Standard topics

CMS compliance issues (HPMS memos), Milliman FWA quarterly reports, PBM/primary pharmacy status, CMS/Acumen reporting, FWA education, PBM updates, Work plan and risk assessment, other
<table>
<thead>
<tr>
<th>Purpose &amp; frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide an annual compliance report to the board of the provider organization - Annual</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>MHHS VP of Quality and Compliance reports to MHS Compliance Committee. MHS VP of Compliance reports to MHS Trustees - annual</td>
</tr>
</tbody>
</table>

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<tr>
<td>Brief written report describing the components of the Part D compliance program (work plan, PBM involvement, actuary quarterly FWA reports, Part D Compliance Committee, PBM oversight meetings, etc.)</td>
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</tbody>
</table>
All four core compliance members are actively involved in Part D surveys.

- **2010** - Findings: One “met with note”. (PA01) Incorrect attestation form being used; corrected during survey.
- **2014** - No Part D survey ..... however.....
Mercy LIFE is one of the 31 PACE organizations currently undergoing routine CMS financial audits with one of the CPA firms contracted by CMS.

Core compliance team members who are involved in providing the required documentation for this audit (in order):

- Finance Director
- PBM account manager
- Compliance Director
- Medical Director
Additional components of our compliance/FWA program as they relate to their specific compliance areas mentioned in Chapter 9 of the CMS Prescription Drug Manual include:

- FWA P & P (*written policies and procedures*)
- Quarterly actuarial FWA reports (*auditing/monitoring*)
- FWA annual training (*training and education*)
- CMS/Acumen Overutilization Monitoring System (OMS) requirement (*enforcement of standards; monitoring/auditing*)
<table>
<thead>
<tr>
<th>New Employee – at initial PACE orientation</th>
<th>Annual employee – at annual all-staff in-service</th>
<th>Part D Compliance Committee – CMS Part C &amp; D FWA training online</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Office – CMS Part C &amp; D FWA training online</td>
<td>Director of Compliance – CMS webinars, conferences, etc.</td>
<td>PBM (Including FDR’s – first tier, downstream, related party)</td>
</tr>
</tbody>
</table>
Serve as Medicare compliance officer:
  • Review/communicate HPMS memos, compliance notices, etc.

Insure appropriate, timely compliance reporting – ex. Acumen overutilization reporting

Coordinate monthly PBM oversight meetings

Chair quarterly Part D compliance meetings

Coordinate CMS routine Part D surveys

Monitor annual Part D policy review
Mercy LIFE Part D Policies

- Confirmation of enrollment for members with Employer Group/Union Coverage
- Data Elements
- Disputed Claims and Dispute Resolution
- Fraud Waste & Abuse Compliance Program for Part D
- Health Insurance Information
- Internal Monitoring and Auditing
- Membership ID
- Monthly Enrollment and Certification
- Opioid Overutilization Monitoring
- Out of Network Pharmacy Claims Processing
- Overpayment/Underpayment Requirements
- Part D vs. Part B Drug Coverage Determination
- Pharmacy Claims Processing System
- Responses to Detected Offenses and Corrective Action Plan
- Submission of Prescription Drug Event (PDE) Data
- TrOOP Status and Notification of Disenrollment
Basics at the early stage for Mercy LIFE Part D compliance:

- Learn the basics of Medicare Part D and how it works in PACE – including enrollment, disenrollment, etc.
- Learn the CMS Part D alphabet soup – P2P, MSP, etc., etc.
- Know the required elements of a compliance program
- Use available educational resources: examples
  - CMS Part D Manual – Chapter 9: FWA
  - NPA’s Health Plan Management (Part D) regular call (recommended to continue)
  - Compliance 101 by Debbie Troklus & Greg Warner
On-going lessons learned for both the short and long-run:

- Read *all* HPMS memos timely to determine if they apply to PACE and then implement immediately as needed.
- Meet *all* CMS deadlines for attestations, reports, etc.
- Medicare Part D and Part D compliance will *always* be evolving. Set up a basic process that works for your organization that can monitor and recognize when changes are needed.
Best practice Communication

- Planning for a new center
- Financial planning
- Adding large numbers of participants
- Transferring large numbers of participants
- Dealing with contingencies
- Communication between team members
Questions?
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