

MEDICARE PART D RESEARCH FACTS



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ACCEPTING EXCEPTIONS

Beneficiaries are legally entitled to challenge a decision made by a Part D plan about drug coverage. The request can be made by the prescribing physician, the enrollee, or a designated responsible party acting on behalf of the enrollee. Any of these parties can follow a number of steps to file an appeal requesting that the plan make an exception to accept a medically necessary drug that is not on the plan formulary.

Documentation is required to demonstrate that the drug that is not on the plan formulary is medically necessary. In the case of the prescribing physician filing the appeal, the supporting documentation required cannot simply be based on the physician's clinical opinion. Instead, the physician is required to provide both "sound clinical evidence and medical and scientific evidence." Some physicians find that filing the necessary documentation is both cumbersome and time consuming.

Typical scenarios in which the prescribing physician can expect a successful appeal are cases in which prior treatment has failed, previous or probable negative reactions are expected by the patient, or known interactions exist between the contested drug and a current drug being taken by the patient. In any other situation, an appeal likely will not be granted.

Upon receiving the request to grant an exception, the insurance plan has complete discretionary control over review and approval of the evidence provided. The insurance company then decides whether to accept or

reject the request. If it chooses to accept the request, then the drug will be covered under the beneficiary's plan; however, the dosage accepted might vary.

If the company chooses to deny the request, then the drug will not be covered by the enrollee's plan. Another exceptions request may be made; in this situation, circumstances may have changed to increase chances for a successful appeal, or the acting party may be able to offer more evidence of medical necessity. This is called a redetermination. If the insurance company once again denies the request, there are additional measures that can be taken to pursue coverage.

One could then request the Independent Review Entity (IRE) review the appeal. The IRE is a private company that contracts with Medicare to review Part D appeals. If, once again, the decision is unfavorable to the enrollee, a request for a hearing with an Administrative Law Judge can be made. If the request is denied again, an appeal may be made for review by the Medicare Appeals Council (MAC). If MAC decides to deny the request, the final appeal that can be made is for a judicial review by federal court. Of course, the legal system does allow further action to be taken if this decision is unfavorable. However, the federal court judicial review is generally the last party to review appeals.

PART D FACT

Psychiatrists and their staff spent 45 minutes in administrative tasks for every 1 hour of direct patient care provided for dually eligible patients.

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