

Part B Insider (Multispecialty) Coding Alert

Drug Payments: Drugs In Doctors' Offices Will Stay Under Part B

But CMS will study whether to move a few drugs to new benefit

Next year's new prescription drug benefit won't include the drugs that you provide in your office, if the **Centers for Medicare and Medicaid Services** gets its way.

The **Medicare Modernization Act** required CMS to study methods of providing the current Part B drugs under the new "Part D" benefit. But transitioning most Part B drugs to Part D doesn't make any sense, CMS tells Congress in a new report.

Medicare patients receive most Part B drugs in a physician office or "provider setting," so including those drugs under the new benefit wouldn't improve efficiency, says CMS. Including a few Part B drugs that are more similar to the types of drugs comprising the new benefit might make sense. But even in those cases, CMS advises further study.

The steep cuts to Part B drugs under the new "average sales price" system have brought reimbursement closer to market prices, so Medicare wouldn't save much from a move to Part D, CMS notes. And adding these drugs to Part D would only increase the complexity of the task facing drug plan sponsors, CMS adds.

Part B Means Less Billing Stress

Part B and Part D have different structures, CMS points out. Part B has a lower deductible and lower cost sharing up front, and doesn't require beneficiaries to pay 100 percent of some portion of spending. But Part D includes a "catastrophic protection" if drug costs pass a certain level.

Keeping physician-administered drugs under Part B is a positive move, "only because we don't have a lot of details as to how it would be set up," says **Ris Marie Cleland** with Oplinc Oncology in Lawton, OK. For instance, if a pharmacy plan provided a physician-administered drug, would the plan ship the drug to the doctor's office to administer, or would you bill it as self-administered? A move to Part D would be like dealing with a pharmacy benefit manager, which would make things more complicated for physician offices, says Cleland.