

Part B Insider (Multispecialty) Coding Alert

Tough Times Ahead For CMS

Two former heads of the **Centers for Medicare & Medicaid Services** warned April 8 that the agency faces a huge task in implementing the sweeping changes contained in the recently passed Medicare Modernization Act.

In testimony before the Senate Governmental Affairs Committee, **Gail Wilensky** and **Nancy-Ann DeParle** said the government should have contingency plans in place in case CMS misses deadlines in the legislation, which establishes a prescription-drug benefit for seniors beginning in 2006.

DeParle had to implement the myriad changes contained in the Balanced Budget Act of 1997, but she said that challenge paled in comparison to problems posed by the MMA. Under the BBA, CMS had to put new payment systems in place, but dealt with known providers. In contrast, the MMA requires CMS to implement a brand new benefit in concert with unfamiliar partners, such as pharmaceutical companies, pharmacy benefit managers, and the as yet undefined drug-only insurance plans.

DeParle added that CMS must implement MMA -- plus accomplish its normal duties -- while facing a "brain drain" that has seen it lose more than half of its Senior Executive Service staff since spring 2001. Wilensky applauded the Senate for confirming new administrator Mark McClellan with unprecedented dispatch, but DeParle cited the impending departure of Health and Human Services Secretary **Tommy Thompson**, as another obstacle.