

Eli's Hospice Insider

Compliance: Noncompliance With New Drug Guidance Could Result In Fraud Charges, Takebacks

Hospice drug coverage isn't just a reimbursement concern □ it's a compliance one as well.

The Centers for Medicare & Medicaid Services is requiring Part D drug plans to implement prior authorization for drugs for hospice patients, and is ordering them to pursue recoupments for such drugs that were already inappropriately paid for when the hospice Notice of Election came through (see story, this page). That could mean major financial repercussions for some hospices.

Take note: But also important is that one of the three authors of the Dec. 6 memo requiring PA is Mark Majestic, director of Medicare's Program Integrity Group. "This fact should be a heads up for hospices that CMS views this issue as a potential area of fraud and abuse enforcement," warns Washington, D.C.-based health care attorney **Elizabeth Hogue**.

Hospices must "address medication management related to patients' terminal illnesses," advises law firm Morgan Lewis in a post about the memo on its website. "Failure to do so will put hospices at financial risk of refund demands and possibly other program integrity sanctions."

Note: See Morgan Lewis' summary of the memo at www.morganlewis.com/pubs/Healthcare_LF_CMSWarningMedicarePartDBillingHospicePatients_10dec13.