

## Long-Term Care Survey Alert

### Industry Notes: SNFs: Go Ahead With Efficient Medication Dispensing Methods

Pay attention to important changes to Medicare Advantage (MA), as well as Medicare Part C and Part D. The **Centers for Medicare & Medicaid Services** (CMS) released the final program changes in early April.

CMS clarified and tightened language in the provision to further support the use of efficient medication dispensing in long-term care facilities, Sumner said. CMS prohibited payment arrangements that penalize more efficient medication dispensing techniques by prorated dispensing fees.

The provision also adds a requirement that any differences in payment methodology result in incentives to adopt more efficient dispensing methodologies, Sumner added. "Additionally, efficient medication dispensing techniques should be enhanced or, at the least, not hindered by the payment arrangements between Part D plans and long-term care pharmacies." This provision is effective Jan. 1, 2016.

The final program changes also crack down on MA plans' use of extensions on organizational determinations and reconsiderations.

MA plans have very specific timeframes that they must adhere to when a provider or enrollee requests an organizational determination, such as an authorization or approval, or a reconsideration like an appeal of a coverage denial, Sumner said. Typically, the plan has 72 hours to respond to expedited requests but may extend the review timeframe in limited circumstances.

**Problem:** Based on the results from MA plan audits, CMS found that some MA organizations are routinely and inappropriately exercising the 14-day extension, Sumner noted. So CMS revised the provision by tightening the language regarding when an extension is acceptable □ "first and foremost, an extension must be in the best interest of the enrollee."

CMS also clarified that extensions are for extraordinary and non-routine circumstances, and that the MA organization cannot invoke extensions for the plan's convenience. As a result of these changes, you may see improvements in timeliness of organizational determinations and reconsiderations from MA plans, Sumner concluded.

**Resources:** For more information on MA requirements regarding organizational determinations, visit [www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c13.pdf](http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c13.pdf). To see CMS' finalized 2015 payment and policy updates for MA and Part D, go to [www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2015-Press-releases-items/2015-04-06-2.html](http://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2015-Press-releases-items/2015-04-06-2.html).