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CATAMARAN AUDIT ALERT
Auto-Refill/Auto-Ship Programs

The Catamaran audit department is providing a review of basic information on the new Medicare Part D requirements related to Auto-Refill/Auto-Ship Programs. CMS requires that network retail and mail pharmacies obtain member consent to deliver a prescription, new or refill, prior to each delivery.

Please take the opportunity to educate your pharmacy staff on the importance of the audit topic presented in the alert below.

As a participating provider in the Catamaran pharmacy network, it is essential that there be complete compliance with the requirements that are set forth by the Centers for Medicare and Medicaid Services (CMS). One of those requirements is to obtain member consent to deliver a prescription, new or refill, prior to each delivery.

PLEASE EDUCATE your PHARMACY STAFF on the importance of obtaining patient's consent prior to delivering a prescription.

- Pharmacy should maintain a policy and procedure which outlines a process in obtaining the patient's consent to deliver a prescription prior to each time medication is dispensed, with automated functionality such as auto-refill or auto-ship. This includes prescriptions that were phoned in or e-prescribed from the physician's office, regardless of whether the prescription to be filled is new or a refill.
- This requirement would not apply in instances where the member personally initiates the refill or new prescription request.
- This requirement would also not apply to long term care pharmacies that give out and deliver prescription medications.
- Catamaran expects the pharmacy to maintain a documented process that can demonstrate patient consent has occurred with each prescription that was auto-generated through an auto-fill/auto-ship program.
- Catamaran expects the pharmacy to educate pharmacy staff to be aware of this change in guidance and understand the importance of patient-directed prescription fills. Staff should be mindful of the requirements and all procedures employed to document compliance.

We appreciate your participation in the Catamaran provider network and hope you find the above information useful. If we may answer any questions or provide additional information, please contact the Catamaran Provider Relations department at 877-633-4701.

Thank you for your cooperation and assistance in education of the pharmacy staff.

Catamaran Pharmacy Audit and Compliance

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CATAMARAN AUDIT ALERT
Medicare Notice of Patient Rights (CMS10147)

The Catamaran audit department is providing a review of basic information on the Medicare Part D requirements related to a contracted pharmacy's responsibility to distribute the Medicare Notice Of Patient Rights- CMS 10147 during each claim rejection.

Please take the opportunity to educate your pharmacy staff on the importance of the audit topic presented in the alert below.

As a participating provider in the Catamaran pharmacy network, it is essential that there be complete compliance with the requirements that are set forth by the Centers for Medicare and Medicaid Services (CMS). One of those requirements is delivery of the Medicare Notice of Patient Rights.

PLEASE EDUCATE your PHARMACY STAFF on the importance of the distribution of the MEDICARE NOTICE OF PATIENT RIGHTS.

Medicare Notice of Patient Rights - CMS (10147)

- Provider must comply with all CMS regulations regarding the provision of written notices to Medicare beneficiaries, Providers must comply with CMS- Memo 10147.
- Providers must be able to demonstrate and provide documentation to detail the process by which each patient receives the communication entitled Notice of Patient Rights (CMS document 10147) during each rejection (rejection type 569).
- Displaying the sign in the pharmacy waiting area or distribution to a new patient **does NOT** meet the requirement.
- If a patient is not physically present at the time the rejection has occurred, the patient must be **notified** of the claim rejection and that the Medicare Notice of Rights is available to them at the pharmacy or can be mailed to the beneficiary. .
- Active work on a rejection, such as working with the prescriber for medication change or coverage such as a prior authorization, **does NOT** remove the requirement to provide the notice. The beneficiary should still be supplied the notice with information on any actions the pharmacy provider is taking.

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CATAMARAN AUDIT ALERT
PRODUCT SELECTION CODES

The information below is intended to assist in appropriate claims submission to the Catamaran system. All elements included in a claim transaction are vital in the correct adjudication, determination of claim eligibility and claim payment. Please take the opportunity to educate your pharmacy staff on the importance of the audit topic presented in the alert below.

As a participating provider in the Catamaran pharmacy network, accurate claim data entry is essential. Selecting the correct Product Selection Code (PSC or DAW code) is one part of the claim verification process that is vital in allowing accurate claim processing. We ask that you take this opportunity to educate your staff and create new quality assurance check points to prevent these errors.

PLEASE EDUCATE your PHARMACY STAFF on the importance of billing the correct PSC/DAW code and validating all prescription information at data entry to avoid potential audits or other consequences.

It is essential to validate the following information to ensure the correct billing and documentation of the proper PSC/DAW code:

- PSC 1 – Substitution not allowed by prescriber. To be used when the prescriber specifies the branded version of a drug. **Notation must be evidenced on the prescription hard copy (original and updates) indicating the prescriber's intent to have the branded medication.**
- PSC 2 – Substitution Allowed: Patient requesting product dispensed. To be used when the member requests the branded version of a drug. **The prescriber should not be asked to make a change to the designation at the request of the patient or pharmacy staff.**
- PSC 8 – Substitution Allowed: Generic Drug Not Available in Marketplace. To be used when the brand-name product is to be dispensed because the generic equivalent is not currently being manufactured, distributed, or is temporarily unavailable. **Proof from wholesaler is required proving the generic is unavailable on the fill date and will be requested upon audit.**
- PSC 9 – Substitution Allowed: Plan Requires Brand. To be used when the generic version is non-preferred per the member's plan. **Notation of "DAW 9" or "Plan prefers brand" must be evidenced on the prescription hard copy.**

The above documentation does need to be provided on all hard copy prescriptions along with any generated refill authorization from either the provider or the pharmacy.

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CATAMARAN AUDIT ALERT
FWA: Fraud Waste and Abuse

The information below is intended to assist in detecting and reporting suspected Fraud, Waste and Abuse. As a CMS (Centers for Medicare and Medicaid Services) requirement, all entities have the responsibility to report any type of suspected Fraud, Waste and Abuse. Please take the opportunity to educate your pharmacy staff on the importance of the audit topic presented in the alert below.

At Catamaran, we proactively research and investigate all allegations of suspected fraud, waste and abuse. As a participating provider in the Catamaran pharmacy network, it is essential that all allegations of suspected fraud, waste and abuse be reported in a timely manner.

Every year millions of dollars are improperly spent because of fraud, waste and abuse.
It affects everyone—including YOU!

What is Fraud, Waste and Abuse (FWA)?
Fraud: Intentionally submitting false information in order to receive money or a benefit.
Waste: Overutilization of services or other practices that, directly or indirectly, result in unnecessary costs to the program.
Abuse: Actions that may, directly or indirectly result in unnecessary costs—receiving payments for items or services when there is not legal entitlement.

Listed are a few examples of events that should be reported:
:

- ID Theft
- Billing a claim without providing a service or if service is not medically necessary
- Failing to reverse claims that were never picked up
- Member seen distributing/selling medications
- Member presents a fake or adulterated prescription
- Charging excessively for services or supplies
- Altering a claim to receive a higher payment
- Members receiving incentives to fill unneeded prescriptions

To report any suspected fraud, waste and abuse, contact Catamaran's SIU (Special Investigations Unit) at 888-625-5685 or SIU@Catamaranrx.com.

Thank you for your cooperation and assistance in education of the pharmacy staff.

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CATAMARAN AUDIT ALERT
Member Selection

The information below is intended to assist in appropriate claims submission to the Catamaran system. All elements included in a claim transaction are vital in the correct adjudication, determination of claim eligibility and claim payment. Please take the opportunity to educate your pharmacy staff on the importance of the audit topic presented in the alert below.

As a participating provider in the Catamaran pharmacy network, it is essential for accurate claim data entry. Selecting the correct member and validating the patient record is one part of the claim verification process which is vital in allowing accurate claim processing. Catamaran has noted a recent increase in inappropriate patient selection by pharmacies causing claim errors. We ask that you take this opportunity to educate your staff and create new quality assurance check points to prevent these errors.

PLEASE EDUCATE your PHARMACY STAFF on the importance of billing the correct member and validating all member information at point-of-sale to avoid potential audits or other consequences.

It is essential to validate the following information at point-of-sale to ensure that the member you are billing matches the member on the prescription:

- Member name. Always validate the complete member name and pay specific attention to those individuals with common names.
- Member date of birth. Take extra steps to look at the medication use for the patient age.
- Member demographic information (e.g. address, telephone number). Consider the patient's location in comparison to the pharmacy.
- Member insurance information. Ensure a pharmacy staff member reviews the member's insurance card prior to billing the claim.

We appreciate your participation in the Catamaran provider network and hope you find the above information useful. If we may answer any questions or provide additional information, please contact the Catamaran Provider Relations department at 877-633-4701.

Thank you for your cooperation and assistance in education of the pharmacy staff.

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CATAMARAN AUDIT ALERT
"Use As Directed"

The information below is intended to assist in appropriate claims submission. All elements included in a claim transaction are vital in the correct adjudication, determination of claim eligibility and claim payment. Please take the opportunity to educate your pharmacy staff on the importance of the audit topic presented in the alert below.

As a participating provider in the Catamaran pharmacy network accurate claim data entry is essential. Prescriptions written with ambiguous dosing instructions, e,g UAD or PRN, must be clarified with dosing or a maximum daily dose documented on the prescription order prior to dispensing for audit purposes in validation of appropriate quantity and days' supply relationship. (Exceptions include pre-packaged medications with dosing instructions specified on package, e.g. Zithromax Z-Pak or Medrol DosePak.)

Clarification information must be documented with the original prescription prior to the initial dispensing is vital when dosing is outside of therapeutic guidelines.

PLEASE EDUCATE your PHARMACY STAFF on the importance of validating dosing instructions at the time of claim submission to avoid potential audits or other consequences.

- If the prescriber provides ambiguous directions, e.g. UTD, or PRN, then the pharmacy must document utilization for audit purposes. The Utilization may be determined by requesting clarification from the patient or prescriber. If the dosing is based upon the pharmacist clinical evaluation only then it should be in accordance with normal therapeutic use and patient utilization.
- Calculate day supply in accordance with the directions paying special attention to claims for insulin, inhalers, and diabetic supplies.
- Insulin prescriptions with sliding scale dosing must have a maximum daily dose documented on the hard copy. Always label the product with the directions from the prescriber.
- Always submit the correct days supply when transmitting claims. Do not provide the patient less than what is needed for the day supply submitted on the claims. Always allow manufacturer's smallest package size if the package cannot be broken and attempt appropriate days' supply for the full package or if a rejection occurs utilization maximum plan allowance.

We appreciate your participation in the Catamaran provider network and hope you find the above information useful. If we may answer any questions or provide additional information, please contact the Catamaran Provider Relations department at 1-877-633-4701.

Thank you for your cooperation and assistance in education of the pharmacy staff.

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CATAMARAN AUDIT ALERT
HHS/OIG EXCLUSION LIST REVIEW

The Catamaran audit department is providing a review of basic information on the Medicare Part D requirements related to a contracted pharmacy's responsibility to review the list of Excluded Individuals and Entities (LEIE) maintained by the Department of Health and Human Services, Office of Inspector General (OIG) for all personnel associated with Pharmacy Services.

Please take the opportunity to educate your pharmacy staff on the importance of the audit topic presented in the alert below.

Providers are required to maintain proper policies and procedures related to training on Compliance including Fraud, Waste and Abuse. Additionally, the provider must have a policy and procedure for checking the Office of the Inspector General (OIG) List of Excluded Individuals (LEIE) and Government Services Administration (GSA) Excluded Parties Lists System (EPLS) to confirm no employee, volunteer, consultant, governing body member, or contracted individual or entity is excluded from participation in federal programs

PLEASE EDUCATE your PHARMACY STAFF on the importance of validating all employees or contractors responsible for the provision of pharmacy services, against the HHS/OIG exclusion list.

- Pharmacy should maintain a **policy and procedure** which defines the requirement and the procedure to complete the review process.
- Review is required to be completed upon **initial hiring** of any employee or contractor and at a minimum **monthly** thereafter.
- Pharmacies should **maintain documentation** including a list of all employees/contractors for whom the verification was completed and the date of completion. If verifications are conducted directly on the website documentation of the image detailing confirmation of no exclusions must be maintained and accessible for audit.
- The pharmacy is required to **remove** any employee or contractor found to be on the exclusion list immediately from any pharmacy services and **notify** the Catamaran FWA hotline at 888-625-5685.
- The **website** for review can be found at www.exclusions.oig.hhs.gov for the OIG LEIE and www.sam.gov for the GSA EPLS.

We appreciate your participation in the Catamaran provider network and hope you find the above information useful. If we may answer any questions or provide additional information, please contact the Catamaran Provider Relations department at 877-633-4701.

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CATAMARAN AUDIT ALERT
Vagifem® vaginal tablets

The information below is intended to assist in appropriate claims submission to the Catamaran system. All elements included in a claim transaction are vital in the correct adjudication, determination of claim eligibility and claim payment. Please take the opportunity to educate your pharmacy staff on the importance of the audit topic presented in the alert below.

As a participating provider in the Catamaran pharmacy network, accurate claim data entry is essential. When dispensing Vagifem® for the initial fill and subsequent refills, it is important to review the entire hard copy prior to dispensing to the patient. Catamaran has noted a large number of claims with excessive billing quantities for refills of Vagifem® claims. We are asking that you take this time to educate your staff and create a quality assurance check point to prevent excessive quantity dispensing during the refill process.

PLEASE EDUCATE your PHARMACY STAFF on the importance of billing the correct quantity and day supply during the initial and subsequent refills to avoid potential audits or other consequences.

It is essential to validate the following information at claim review to ensure that the claim you are billing is the correct quantity based on the initial fill or refill of the prescription:

- Initial Fill: Verify the quantity and directions are the same for initial fill and subsequent refills
- Common dosing: 1 tab daily x 14 days, then 1 tab 2 or 3 times weekly (in cases with different dosing after the initial fill, separate into 2 prescriptions) – Indicate 0 refills on first prescription and include refills on second prescription
- This is a breakable package
- NDC available comes in an #18 pack (00169-5176-04) – use for initial fills
- NDC available comes in an #8 pack (00169-5176-03) – use for refills

We appreciate your participation in the Catamaran provider network and hope you find the above information useful. If we may answer any questions or provide additional information, please contact the Catamaran Provider Relations department at **877-633-4701**.

Thank you for your cooperation and assistance in education of the pharmacy staff.

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