

Preparing for the Unexpected: Are You Ready for an Audit?

As part of the PACE program, your plan is constantly juggling the health management of its participants, care coordination within its internal medical teams and overall financial health. When consistently dealing with so many daily issues, do you feel that your organization is fully prepared for a CMS audit? Worse yet, do you know all of the areas related to your pharmacy benefit program that CMS focuses on throughout their PACE program audit?

Due to the unique three-way partnership that PACE programs have with CMS and their State Administering Agency, PACE plans are regularly monitored and reviewed. CMS reviews scrutinize each plan's ability to maintain compliance on both state and federal levels, as well as monitor and evaluate the program's organizational structure, procedures, protocols and policies.

With this ongoing possibility of recurring federal-level audits, your organization finds itself tasked with an overwhelming amount of data that needs to be collected, maintained and submitted regularly. For PACE programs running lean staffing models, the ongoing need for accurate data collection, maintenance and reporting can become operationally oppressive.

Your pharmacy benefit program can be full of unexpected CMS audit land-mines – financially and operationally. Having a partnership with a fully-engaged PBM, such as Pharmastar, can be the difference between successful audits and discovering that your program could owe thousands of dollars in unplanned CMS audit discoveries. These types of unexpected financial hits can be catastrophic for a PACE plan.



Your Overall Drug Expense – How Well Do You Understand It?

Prescription drug events are a critical piece of any plan's pharmacy benefit program. They are also an identified area that is scrutinized as a part of any CMS audit. If your plan doesn't have a full understanding of the money flowing out of it as a result of your overall drug expense, a CMS audit could uncover that your plan may need to provide significant reimbursement at the end of the year. Would your plan be in a financial position to handle this type of finding?



By partnering with Pharmastar, your plan would receive access to a monthly detailed PDE report. This report gives your plan an itemized list of all PDEs submitted on your behalf. Not only does this relationship free your staff from administrative paperwork, it allows you easy access to all of your plan's data. These PDE reports provide a list of accepted and rejected claims, allowing your organization to monitor acceptance rate trends and make adjustments to rejected claims.

In addition, because your plan is required to reconcile the total payable amount against the submitted Part D bid, additional data can help your plan ensure that the amount received through Medicare Part D is correctly aligned with the projected amount of compensation. This is KEY to ensuring you are not unexpectedly hit with a bill at the end of your next CMS audit.

Transferring Membership – the Hidden Dangers of P2P

Bringing new participants into your plan is crucial to the lifecycle of your plan. However, the plan to plan (P2P) reconciliation process of prescription drug payments is difficult and time consuming for any PACE organization. When your plan receives the information directly from CMS, the reports that they generate are far from user-friendly. Sifting through the information can be a real struggle and takes a significant amount of staff time.

Despite these data difficulties, this is an area that CMS monitors regularly. If your PACE plan misses payments, CMS responds directly. Avoiding this type of interaction with federal oversight is always preferable.

Pharmastar offers its clients access to monthly P2P assistance and reporting. Our specialized team manages the direct data received from CMS and transfers it into an understandable and functional product that your staff can easily use. In addition, Pharmastar provides clients with pre-generated invoices to streamline the payment and settlement process – without CMS intervention.

Are You Effectively Managing Drug Payment Guidelines?

Drug payments in PACE programs are a highly monitored and regulated process through CMS. According to regulations, any electronically adjudicated prescriptions from your pharmacies need to be paid within 14 days. With such a tight window of opportunity to meet these requirements, the room for error is significant.

If your PACE plan does not meet these federal timeline requirements, you might face not only fines from CMS for the oversight, but will also be saddled with paying retroactive interest on all overdue payments for their participating pharmacies. Between these two penalties, the financial impact of this error during a CMS audit could be devastating for your organization.

To alleviate the burden of the ongoing monitoring and management required to keep up with paying drug invoices, Pharmastar provides its clients with a weekly drug cost invoice. Each week, PACE organizations around the country receive a convenient invoiced listing of all of the prescriptions incurred over the course of the past seven days. In addition, a plan simply provides the overall invoice amount to Pharmastar who then distributes out the appropriate amounts to each pharmacy.

This service not only saves PACE plans precious time and resources, it also prevents the potential of costly fines and interest payments that could result during a CMS audit.

Saving Money and Resources with Data, Reporting and Consultation

The risks associated with CMS audits uncovering errors originating from your pharmacy benefit program are significant and could have a devastating impact on your overall PACE plan operations. With limited resources available to you, finding trustworthy partners that will help you mitigate financial and operational risks is critical.

In addition some of the reports identified above, Pharmastar offers its clients a comprehensive toolkit of reports, data analysis and consultation that can further enhance your plan's pharmacy benefit program. Some of these reports include:

Month Of Service	Ingredient Paid	Dispense Fee Paid
01/13 Total	\$ 15.49	\$ 1.50
02/13 Total	\$ 7.04	\$ 8.00
03/13 Total	\$ 188.11	\$ 8.00
04/13 Total	\$ 0.18	\$ 1.50

Drug Utilization Reviews. Providing you with a breadth of information on your generic drug use trends, per member per month (PMPM) costs and over the counter utilization, the data found in this monthly report is central to understanding the next strategic steps in moving your pharmacy benefit program forward. In addition, Pharmastar offers consultation calls with a clinical pharmacist to review your monthly data and pick out the most important trends your plan could address.

Full Claims Database. Your data should always belong to you. The monthly full claims database provided by Pharmastar ensures you always have access to all of your data. This enables your team of professionals to query, analyze and respond to your full database of prescription information. This report enables you to access

all of your rejected, accepted and reversed claims. Each field contains a full listing of 25 different data elements, giving your plan a true and complete understand of your prescription drug usage.

Potential Over-utilizer Report. On a federal level, Medicare Part D plans are asked to report any over-utilizers they identify internally. Clients of Pharmastar automatically receive ongoing support in this arena with a monthly over-utilizer report. This enables PACE plans to be proactive in these discoveries, often prior to receiving this same data via Acumen, a contractor of CMS. Through the regular reporting and managing of this data, PACE plans are well situated in the event of a CMS audit.

When a PACE plan undergoes a CMS audit, there is an abundance policies and procedures that are under tight scrutiny. Often, the costly mistakes identified in this paper are the result of simple oversight or misunderstanding of the requirements in a pharmacy benefit program. While these errors are not ill-intentioned, PACE plans face serious consequences when these issues are uncovered by CMS.

PACE plans that partner with a pharmacy benefit manager, like Pharmastar, will find reassurance and guidance through the expertise and attention of our specialists. Plans, such as Riverside and Blue Ridge PACE find that Pharmastar's knowledge and guidance is an important part of their program.

"I cannot say enough good things about my working relationship with Pharmastar. I have found them to be prompt, courteous, and helpful. They have certainly made my job duties related to part d less stressful. Pharmastar is a company willing to go the extra mile. They make sure you have what you need, you understand what is being requested of you or what you are being given and that you are in compliance."

Courtney Berg

Business Manager, Riverside and Blue Ridge PACE

Looking for More Information? Contact Pharmastar.

For more information on how the reports and guidance provided through Pharmastar may be able to help your PACE plan in managing CMS audits and mitigating financial risks to your plan, we encourage you to contact us. We're looking forward to learning more about your PACE plan and how we can work together to prepare your pharmacy benefit program in the event of CMS audits.

Call us at 888.298.7770 Today!