SPECIALTY PHARMACY NEWS

NHIA: Part D Impedes Home Infusion Access For Dual Eligibles; H.R. 5791 Passage Urged

The Medicare Part D drug benefit has actually resulted in more problems for hospital discharge planners setting up home infusion therapy for dual-eligible patients than under their previous coverage, according to the National Home Infusion Association (NHIA). In addition to inconveniencing patients who are denied home infusion, this situation, says the group, is also increasing the cost of care, as these patients are moved from facility to facility.

A recent NHIA survey found that almost 70% of those polled said that the current process for securing home infusion therapy was more or much more difficult than it had been before Jan. 1. The Internet-based survey polled 246 people with hospital discharge duties in 39 states between Aug. 10 and Sept. 27.

According to Bruce Rodman, director of health information policy for NHIA, "there is a distinct theme" in discharge planners' comments, in that they try to send patients home, but are often unsuccessful at this, so patients many times are admitted to skilled nursing facilities. These patients are going from "one institutional setting to another," he says.

So-called dual eligibles qualify for both Medicare and Medicaid coverage. When Part D started on Jan. 1, these patients — whose home infusion drugs had been covered by Medicaid — now found Medicare responsible for the cost of the drugs, with most states' Medicaid plans responsible for at least some of the supplies, services and equipment needed for administration.

"I can tell you, in most states, there is at least some coverage by Medicaid plans for supplies, equipment and services," says Rodman. "So in theory, I would have expected the survey responses for dual eligibles would have been more positive and working better than others.…If anybody ought to be able to be served well" by Part D's home infusion coverage, it should be the dual eligibles, he says. "But they're not."

He adds that Part D is "also not working well for the other home infusion patients" covered by the benefit, a problem that has plagued the program since its start *(SPN 2/06, p. 1)*.

CMS was not able to comment on the survey by *SPN* press time.

Rodman says that despite actions CMS took earlier this year to alleviate some problems pertaining to home infusion, the survey results indicate the program still isn't working for home infusion patients. He also clarifies that the "holdup is not because of the Medicaids in most states; they are doing what they've always done."

"Coverage for the drug can be confusing on its own, but coverage for the supplies and services becomes very challenging," says Dave Willcutts, CEO of Ancillary Care Management, Inc. He adds that this puts the patient and the provider community at risk for these costs.

"Home infusion pharmacies are not quick to accept patients onto service without a clear understanding of how they will be paid for their services," he says. "Nearly every point of coverage for home infusion provides an uncomfortably vague response on coverage questions. This necessitates research and verification that can take days, and thus delays in discharge."

Willcutts points to a March 10 CMS memo *(SPN 4/06, p. 4)* that outlined home infusion coverage responsibilities, including the non-drug aspects of the therapy. "Although this memo made responsibilities clear, it does not appear that any significant change in behavior or planning has occurred," he says.

Entities 'Ill Prepared' for Part D Infusion Coverage

Willcutts says that "our experience (as well as the survey results) would suggest that most non-Part D coverage entities are ill prepared for the implications of Part D's coverage of infusion services. This includes a common understanding of the coverage issues, authorization processes and claims payment processes." According to Willcutts, "pharmacy departments scrambled to launch Part D, while most other areas of health plans or government coverage entities considered it a non-issue. While this is true for a large majority of the Part D spend, it is clearly not true for infusion. This is made more problematic by the very nature of these patients, who tend to be more complex, more fragile and at higher risk for costly complications."

Based on survey responses, NHIA estimates that potential "nationwide annual costs to hospitals from dual-eligible discharge delays may exceed $860 million." When applied to all Part D beneficiaries who need home infusion therapy, this cost may exceed $3.2 billion.

Plans must pay for Part D, while the government covers the cost of Part B, leading some critics to question whether NHIA has a vested interest in pushing for Part B.

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"It's pretty clear that there is heavy government subsidization for Part D," responds Rodman. He says that although plans do share the risk, "I think it's inaccurate to say that plans cover the cost of Part D." He points to a projection released last week that says the government's estimated cost for the benefit is now $729 billion.

He explains that the inherent problem with the situation is that "the Part D program is set up as a retail drug, clinical and business model. There is a limited amount of ongoing care provided by the retail pharmacy in this model."

He maintains that Part D is "the wrong model" for home infusion care, and that Part B is "the right model." The survey data are "very confirmatory" of this, he says.

Comprehensive Coverage Urged

"There is more to it than just costs," says Rodman. "The lack of a consolidated Medicare benefit denies patients the ability to receive care in their homes instead of institutional settings when appropriate."

NHIA is backing H.R. 5791, introduced in July, which would consolidate all aspects of home infusion under Part B *(SPN 8/06, p. 1)*. "If that's done, the roles of coverage come from a single payer — Medicare Part B — and will be consistent and understood by providers and discharge planners," says Rodman. "Coverage is clear under Part B. In addition, what's not covered under Part D — supplies, equipment and services — will be covered."

"Home infusion is a medical service," he asserts. "It belongs on the medical side."

Peter Ashkenaz, former deputy director of CMS Media Affairs, told *SPN* earlier this year that CMS "contemplated two other options that would have included services…but based on public comment, the decision was made to not extend the definition beyond the transfer of possession of the drug." He also confirmed that shifting home infusion coverage to Part B "would take legislative action."

While changing the law may be a long-term goal, Willcutts says that more immediate actions could address the situation now. "I believe there must be a demand by the provider and patient community for clear coverage positions from all non-Part D entities including MA [Medicare Advantage] plans, secondary health insurers, State Medicaids, Medicare. In addition, the plan sponsors should be part of this dialogue so these non-Part D entities are clear with how plan sponsors cover these therapies."

Contact Rodman at (847) 362-2017 and Wendy Capetz for Willcutts at (952) 826-2500. View the survey results at www.nhianet.org/fall06ptDsurvey.html. View the March 10 memo at www.cms.hhs.gov/PrescriptionDrugCovContra/downloads/HomeInfusionReminder_03.10.06.pdf. ✧

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