

***National Medicare Prescription Drug
Conference
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***Topic: Risk Areas and Best Practices for the
Payor Industry***

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Discussion Points:

- Risk Area**: Falsifying prescription order, such as canceling valid order and re-entering invalid patient prescription, to meet performance guarantees

- Best Practice**: To avoid false claims violations, ensure performance standards are adhered to by maintaining integrity of prescriptions.

- Risk Area**: Failure to contact physicians regarding illegible prescriptions

- Best Practice**: Use a call department, operated by pharmacists, to contact physicians to confirm identification of prescription, dose strength, and patient information. Ensure department is operating accurately and efficiently.

- Risk Area**: Creating false records to fill, ship and charge for a prescription not authorized by a physician

- Best Practice**: To avoid false claims violations, ensure policies and procedures exist and are enforced for mail order pharmacies to create accurate records showing that physicians have been appropriately contacted in connection with call departments, Drug Utilization Review (DUR), managed care, and other required physician contacts.

- Risk Area**: DUR violations, such as falsifying records of contacts with physicians about drug risks and interactions

- Best Practice**: Monitor patient outcomes and accurate prescription delivery by ensuring DUR department, operated by pharmacists, contacts physicians in order to review a patient's personal drug history to prevent drug-to-drug interactions and duplicate therapy.

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- **Risk Area**: Shorting violations- charging for more pills than delivered and falsely reporting
- **Best Practice**: To avoid false claims violations, establish a checks and balances system or procedure to ensure the correct number, strength, dosage, and type of drugs are in the bottle and accurately reported before dispensing drug to the patient.

- **Risk Area**: Drug Switching- the practice of payors switching from a “disfavored drug”, one that is less expensive and may have a generic equivalent, to a more expensive drug in order to enhance revenue
- **Best Practice**: Ensure that company policies are not designed to prevent its professional pharmacists from disclosing relevant, important information to physicians and patients, and to affirmatively compel them to present an erroneous or misleading impression.

- **Risk Area**: Kickbacks to Health Plans- improper payments to health plans in order to be selected as the plan PBM
- **Best Practice**: Structure agreements between PBMs and Health Plans to avoid a situation where payments can be considered as an improper influence for awarding the PBM a subcontract.

- **Risk Area**: Other False Claims “Knowingly Submitted”
- **Best Practice**: Develop an effective corporate compliance program to detect and prevent false claims.