

HPMS E-Mail

Date: January 30, 2014

Subject: Two Reminders Regarding Payment for ESRD Beneficiaries under Part D

Message:

1. In the February 17, 2011 HPMS memorandum entitled, "Clarification of Exclusion of Part D Payment for Drugs Included in the End-Stage Renal Disease Prospective Payment," CMS provided two questions that we indicated should be answered in the prior authorization (PA) process to determine payment responsibility for the categories of drugs always considered ESRD-related. Sponsors who, pursuant to the 2014 Call Letter, have implemented PA requirements on the seven categories of drugs that may be ESRD-related should also be using these questions to determine payment responsibility.

Additionally, to ensure ESRD patient access is not inappropriately restricted at the point-of-sale, if the pharmacy determines that the prescription for a drug that may be ESRD-related was written by any of the following: dentist; chiropractor; gynecologist; ophthalmologist; podiatrist; or hospital emergency room prescriber, the sponsor should accept this information from the pharmacy to establish that the prescriber does not receive a monthly capitation payment for managing the ESRD patient's care and provide an override to the ESRD PA edit.

2. As noted in the 2014 Call Letter, the inclusion of oral-only ESRD drugs (that is, drugs with only an oral form of administration) under the ESRD prospective payment was delayed by the American Taxpayer Relief Act until January 1, 2016. Therefore, oral-only drugs, such as Sensipar®, Phoslo®, and Sevelamer, continue to be eligible for reimbursement under Part D and sponsors should not be imposing ESRD PA edits on these drugs.