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July 5, 2006

Memorandum To: All Part D Sponsors

Subject: HPMS Q & A - Insulin syringes used in the LTC setting

From: Cynthia Tudor, Ph.D., Director, Medicare Drug Benefit Group

The following question and answer will be posted to the Frequently Asked Questions Database on the CMS website at http://questions.cms.hhs.gov.

Insulin syringes used in the LTC setting

Q: Are Part D sponsors required to cover so-called "safety syringes"?

A: As Part of our Long Term Care (LTC) Guidance, issued on March 16, 2006, CMS developed minimum performance and service criteria for pharmacies providing LTC service. These criteria included special packaging where the Long Term Care Pharmacy (LTCP) must have the capacity to provide specific drugs in other special packaging commonly required by LTC facilities.

Syringes, when used for the administration of insulin, meet the definition of Part D drugs. Preexisting 2006 regulations from the Occupational Safety & Health Administration (OSHA) require employers whose employees are exposed to self-injected needles, such as nursing homes, to provide "safe needle devices". We view the sharps injury prevention feature involved with these specific types of syringes as "special packaging" required for the administration of insulin in LTC facilities. For a LTCP to meet the needs of the supported LTC facility they must be able to provide an insulin syringe with this type of sharp injury prevention feature.

Part D sponsors are required to contract with LTC pharmacies that provide safe needle devices (and who meet all other applicable minimum performance and service criteria) and we expect the availability of these safety capable syringes to be incorporated into the Part D Sponsor's standard network contract. As a reminder, payment to LTC pharmacies under Part D may only cover drug ingredient costs and dispensing fees as defined in the final regulations. These safe needle devices would be legitimate costs reflected in the dispensing fee. This does not extend Part D reimbursement to any other types of syringes used in the administration of other Part D drugs in the LTC facility.

Please contact Greg Dill at (312) 353-1754 if you have any questions about this guidance.