

Medicare Parts B/D Coverage Issues

This table provides a quick and easy reference guide for the most frequent B/D coverage determination scenarios facing Part D plans and Part D pharmacy providers. It does not address all potential situations. For more extensive discussion, please refer to the Medicare Part B vs. Part D Coverage Issues document available at:

http://www.cms.hhs.gov/PrescriptionDrugCovGenIn/Downloads/PartBandPartDdoc_07.27.05.pdf

Part B Coverage Categories	Part B Coverage Description	Retail and Home Infusion Pharmacy Setting B/D Coverage	LTC Pharmacy Setting B/D Coverage	Comments
Durable Medical Equipment (DME) Supply Drugs NOTE: Only available for beneficiaries residing in their "home" ¹	Drugs that require administration via covered DME (e.g. inhalation drugs, IV drugs "requiring" ² a pump for infusion, insulin via infusion pump) ³	<u>Part B</u>	<u>Part D</u> Because most LTC facilities are not considered a beneficiary's "home" ⁴	Blood Glucose Testing Strips and Lancets covered under Part B DME benefit are never available under Part D because they are not Part D drugs.
Drugs furnished "incident to" a physician service	Injectable/ Intravenous drugs 1) administered "incident to" a physician service <u>and</u> 2) considered by Part B carrier as "not usually self-administered".	<u>Part D</u> Because by definition a pharmacy cannot provide a drug "incident to" a physician's service (Only a physician office would bill Part B for "incident to" drugs).	<u>Part D</u> Because by definition a pharmacy cannot provide a drug "incident to" a physician's service (Only a physician office would bill Part B for "incident to" drugs).	Part D plans should not implement pharmacy edits to determine B vs. D coverage for injectable/IV drugs only covered under Part B when furnished "incident to" a physician service.

¹ In addition to a hospital, a SNF or a distinct part SNF, the following LTC facilities cannot be considered a home for purposes of receiving the Medicare Part B DME benefit:

- A nursing home that is dually-certified as both a Medicare SNF and a Medicaid nursing facility (NF)
- A Medicaid-only NF that primarily furnishes skilled care;
- A non-participating nursing home (i.e. neither Medicare nor Medicaid) that provides primarily skilled care; and
- An institution which has a distinct part SNF and which also primarily furnishes skilled care.

² The DMERCs determines whether or not an IV drug requires a pump for infusion.

³ The DMERCs do a medically necessity determination with regard to whether a nebulizer or infusion pump is medically necessary for a specific drug/condition.

⁴ If a facility does not meet the criteria in footnote 1, it would be considered a home, and Part B could cover the drugs.

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Immunosuppressant Drugs	Drugs used in immunosuppressive therapy for beneficiaries that received transplant from Medicare approved facility and were entitled to Medicare Part A at time of transplant (i.e. "Medicare Covered Transplant").	<p><u>B or D:</u> Part B for Medicare Covered Transplant</p> <p>Part D for all other situations</p>	<p><u>B or D:</u> Part B for Medicare Covered Transplant</p> <p>Part D for all other situations</p>	Participating Part B pharmacies must bill the DMERC in their region when these drugs are covered under Part B.
Oral Anti-Cancer Drugs	Oral drugs used for cancer treatment that contain same active ingredient (or pro-drug) as injectable dosage forms that would be covered as 1) not usually self administered and 2) provided incident to a physician's service	<p><u>B or D:</u></p> <p>Part B for cancer treatment</p> <p>Part D for all other indications</p>	<p><u>B or D:</u></p> <p>Part B for cancer treatment</p> <p>Part D for all other indications</p>	Participating Part B pharmacies must bill the DMERC in their region when these drugs are covered under Part B.
Oral Anti-emetic Drugs	Oral anti-emetic drugs used as full therapeutic replacement for IV anti-emetic drugs within 48 hrs of chemo	<p><u>B or D:</u> Part B within 48 hrs of chemo</p> <p>Part D all other situations</p>	<p><u>B or D:</u> Part B within 48 hrs of chemo</p> <p>Part D all other situations</p>	Participating Part B pharmacies must bill the DMERC in their region when these drugs are covered under Part B.

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Erythropoietin (EPO)	Treatment of anemia for person with chronic renal failure who are undergoing dialysis	<p><u>B or D:</u> Part B for treatment of anemia for beneficiaries undergoing dialysis</p> <p>Part D all other situations</p>	<p><u>B or D:</u> Part B for treatment of anemia for beneficiaries undergoing dialysis</p> <p>Part D all other situations</p>	EPO may be covered under Part B “incident to” physician’s service for other indications but a pharmacy would not be billing for “incident to” drugs
Prophylactic Vaccines	Influenza; Pneumococcal; and Hepatitis B (for intermediate to high risk beneficiaries).	<p><u>B or D:</u> Part B for Influenza, Pneumococcal, & Hepatitis B (for intermediate to high risk)</p> <p>Part D for all others</p>	<p><u>B or D:</u> Part B for influenza, pneumococcal, & Hepatitis B (for intermediate to high risk)</p> <p>Part D for all others</p>	Vaccines given directly related to the treatment of an injury or direct exposure to a disease or condition are always covered under Part B
Parenteral Nutrition	Prosthetic benefit for individuals with “permanent” dysfunction of the digestive tract. If medical record, including the judgment or the attending physician, indicates that the impairment will be long and indefinite duration, the test of permanence is met.	<p><u>B or D:</u> Part B if “permanent” dysfunction of digestive tract</p> <p>Part D for all other situations</p>	<p><u>B or D:</u> Part B if “permanent” dysfunction of digestive tract</p> <p>Part D for all other situations</p>	Part D does not pay for the equipment/supplies and professional services associated with the provision of parenteral nutrition or other Part D covered infusion therapy.

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