



801 N. Fairfax Street, Suite 309
Alexandria, VA 22314
Phone: 703/535-1565 • Fax: 703/535-1566
Web site: www.npaonline.org

CMS-10139

TO: Carolyn Lovett FROM: Chris van Rensen
FAX: 202-395-6974 PHONE: (703) 535-1568
PHONE: _____ DATE: 11/13/07
RE: PACE Port D appl. # OF PAGES (with cover): 2

Please see attached.



National
PACE
Association

November 13, 2007

OMB Human Resources and Housing Branch
Attention: Carolyn Lovett
New Executive Office Building, Room 10235
Washington, DC 20503
Fax Number: (202) 395-6974

In reviewing the Medicare Part D Application for New PACE Organizations for the 2009 Contract Year, the National PACE Association (NPA) would like to comment in regard to the attestations required of PACE organizations related to Claims Processing. In the 2007 version of the application, applicants attested to their ability to either:

- a) Contract with a third party that agrees to develop and operate an on-line claims processing systems that operates in real time to ensure accurate and timely payment of all claims submitted by network pharmacies, OR
- b) Have internal procedures in place to assure accurate and timely payment of all claims submitted by network pharmacies.

In the 2009 Part D application, option (b) is no longer listed.

We are concerned that omission of option (b) results in a requirement that PACE organizations must process claims in real time regardless of how they organize the provision of Part D drugs to their enrollees. Unlike typical Medicare beneficiaries, PACE enrollees, all of whom are certified eligible for nursing home level of care, generally do not acquire their drugs from local pharmacies. Rather, PACE organizations arrange for medications to be delivered to enrollees in the PACE center or in their homes. Also, under PACE regulatory requirements, PACE organizations are prohibited from charging their enrollees cost-sharing amounts so real time processing is not required at the point of sale. NPA is concerned that this new requirements will impose a very substantial burden on PACE organizations that is not warranted in order to insure the appropriate administration of the Part D benefit at the beneficiary level.

We are hopeful that CMS and others as appropriate will engage NPA and its PACE provider members in a dialogue in order to fully understand the impact of a requirement for "an on-line claims processing system that operates in real time" before imposing such a substantial new requirement on PACE providers.

For questions and further follow-up, please contact Chris van Roenen at the NPA at (703) 535-1568 or chrisvr@npaonline.org.