

## WHY DOES THE HEALTH CARE SYSTEM NEED THIS BENEFIT?

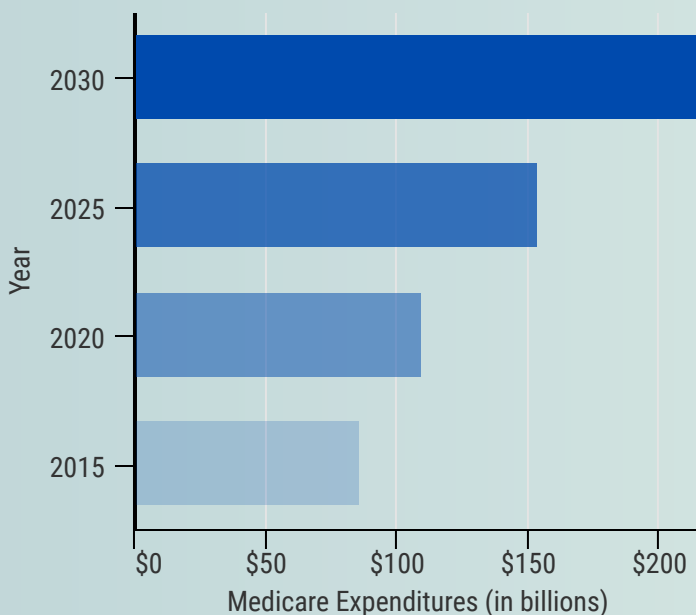
As high-acuity Medicare beneficiaries continue to shift towards at-home care, the need to access LTC pharmacy at-home services is growing. These services reduce adverse drug events, decrease emergency department visits, curb costs, and enable beneficiaries to access care outside of a facility setting. However, it is important for reimbursement policies to reflect the costs associated with delivering this level of care.

One LTC at-Home model involving Medicare beneficiaries over 65 years old yielded

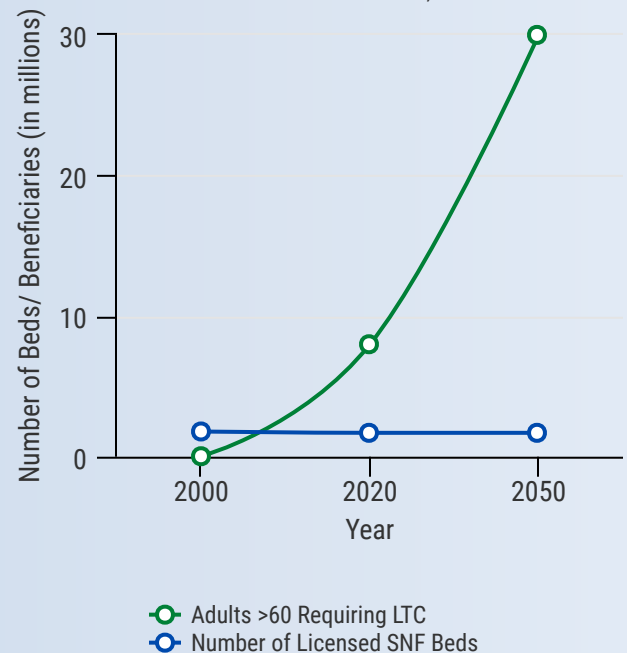
 **\$2,450** 

in savings per member per year, compared to retail or mail-order pharmacies.

**Medicare Prescription Drug Expenditures are Expected to Nearly Triple Over 15 Years** <sup>3</sup>



**LTC Needs Are Projected to Rise Drastically Over the Next Decades, While Nursing Home Bed Availability Will Likely Stay Stagnant** <sup>1,2</sup>



1. Pan American Health Organization (PAHO) (2019). Number of older adults with long-term care needs will triple by 2050, PAHO warns. <https://www.paho.org/en/news/1-1-2019-number-older-adults-long-term-care-needs-will-triple-2050-paho-warns>
2. CMS Program Statistics - Medicare Providers (2021). Medicare Providers: Number of Medicare Certified Inpatient Hospital and Skilled Nursing Facility Beds and Beds Per 1,000 Enrollees, Yearly Trend.
3. CMS National Health Expenditure Data (2022). Prescription Drug Expenditures; Aggregate and per Capita Amounts, Percent Distribution and Annual Percent Change by Source of Funds: Calendar Years 2014-2030.

## WHAT SERVICES DO LTC PHARMACISTS PROVIDE?

Aligning LTC pharmacy at-home services with existing guidance from the Centers for Medicare and Medicaid Services (CMS) ensures an approach that focuses on the most critical services for beneficiaries while providing sustained, routine specialty care. Specifically, CMS guidance outlines LTC pharmacy services provided in facilities<sup>1</sup> and requirements for participation in LTC pharmacy networks<sup>2</sup> as a means to expedite the availability of these services to appropriate populations.



### Regimen Review & Provider Coordination

LTC pharmacists experienced with these populations coordinate with providers and prescribers and conduct regimen reviews at least monthly to identify potential adverse drug reactions and inappropriate drug usage (such as excessive or duplicative dosing, excessive duration, without adequate monitoring, without adequate indications for its use, or in the presence of adverse consequences indicating that the drug should be reduced or discontinued).



### Adherence Technology & Checks

Drug utilization to include at least monthly medication adherence checks, as well as medication synchronization.



### Care Coordination

Pharmacists aggregate and coordinate care across providers, caregivers, and pharmacies to create a holistic understanding of a beneficiary's needs.



### 24/7 Availability

Pharmacists are on-call to provide dispensing and clinical services 24 hours a day, 7 days a week including via telehealth when applicable.



### Dispensing & Packaging

Dispensing under a prescription or chart order in compliance packaging, as well as appropriate accessory and cautionary instructions to ensure safety. This service includes IV medications and other specialized drug delivery formulations such as compounded drugs under a prescription or chart order.



### Timely Delivery

Timely medication delivery to the home, including in emergency situations.

1. State Operations Manual Appendix PP - Guidance to Surveyors for Long Term Care Facilities, CMS, November 22, 2017, <https://www.cms.gov/files/document/appendix-pp-guidance-surveyor-long-term-care-facilities.pdf>.

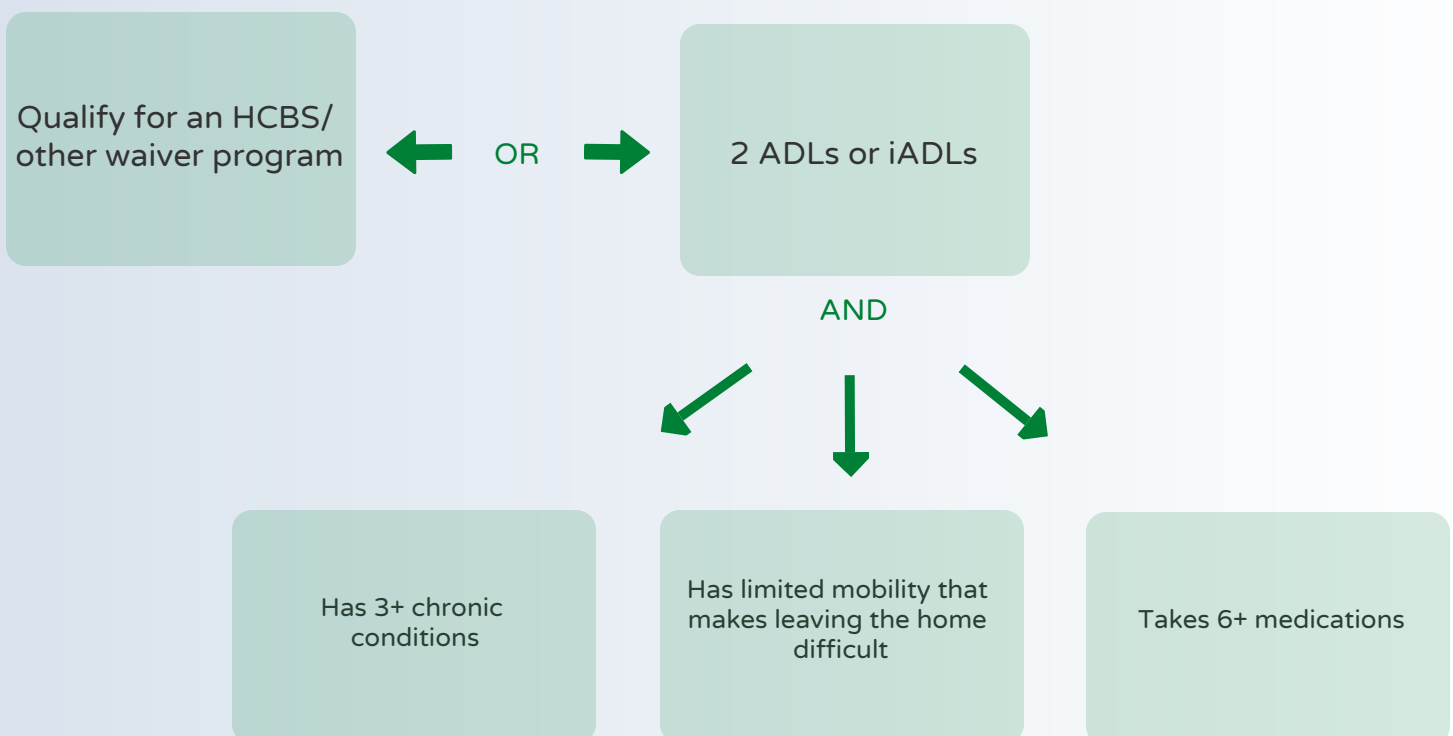
2. Medicare Prescription Drug Benefit Manual - Chapter 5, CMS, September 20, 2011, [https://www.cms.gov/Medicare/Prescription-DrugCoverage/PrescriptionDrugCovContra/Downloads/MemoPDBManualChapter5\\_093011.pdf](https://www.cms.gov/Medicare/Prescription-DrugCoverage/PrescriptionDrugCovContra/Downloads/MemoPDBManualChapter5_093011.pdf).

## WHO IS ELIGIBLE?

While all Medicare beneficiaries could benefit from enhanced pharmacy services, the Alliance recommends focusing, at least initially, on individuals with disabilities and multiple chronic conditions who would receive the most benefit from this level of support. As experts delivering pharmacy services in skilled facilities, the community, and in homes, Alliance members understand which individuals are most likely to benefit from this enhanced level of care, resulting in better health care outcomes and lower health care spending.

Eligibility can be determined in two ways:

1. Beneficiaries receiving services through the Home and Community Based Services (HCBS) program or through another waiver program should automatically qualify for LTC Pharmacy at Home services.
2. For beneficiaries not enrolled in one of these programs, eligibility can be determined by:
  - the existence of limits for at least two activities of daily living (ADL) or two instrumental ADLs (iADL);
  - takes 6+ medications;
  - has 3+ chronic conditions; and
  - meets a requirement for home-bound.



## HOW DO WE IMPLEMENT CHANGE?

Current gaps in authorities and adverse incentives limit access to LTC pharmacy at-home services. The Alliance is seeking modest policy changes that will reduce the barriers hindering access to care. These policy changes would expand access to LTC pharmacy at-home services and improve Medicare beneficiaries' overall health status.

### CURRENT GAPS IN AUTHORITIES

Part D dispensing fees only cover delivery and special packaging,<sup>1</sup> which does not account for the costs to deliver the full complex services LTC pharmacy at home provides.

- Part D plans typically pass the cost of dispensing fees on to Medicare beneficiaries.
- Costs associated with more complex LTC pharmacy at-home services are not covered.
- LTC at-home pharmacies are not defined nor included in network adequacy requirements.

CMS issued guidance<sup>2</sup> in 2021 intended to clarify that Part D plans may be reimbursed for coverage of LTC pharmacy at-home services.

- The guidance does not incentivize or require Part D plans to contract with LTC pharmacies for these services.
- While at-home pharmacy services are allowed, experienced LTC pharmacies continue to report that there are significant barriers to providing these pharmacy services to MA and Part D beneficiaries.

1. 42 CFR 423.100

2. Part D Dispensing Fees and Enrollees with Institutionalized Level of Care Needs, CMS, December 15, 2021, <https://ncpa.org/sites/default/files/2021-12/partddispfeeinstlevelcareneed.pdf>.