CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Contract Number: S5741
Audit ID: 661
Part D Sponsor Name: HIP HEALTH PLAN OF NEW YORK

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 1
Auditing Element: MR09
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 5/14/2007
Date Report Due: 6/28/2007
Element Accepted Date: 7/17/2007
Element Release Date: 10/12/2007
Element Projected Completion Date: 1/1/2007

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 3/26/2007
Estimated Visit Start Date: 3/30/2007
Actual Visit Start Date: 3/26/2007
Actual Visit End Date: 3/30/2007
Part D Sponsor Response Received Date: 6/27/2007
Part D Sponsor Response Due Date: 6/28/2007
CAP Release Date: 10/12/2007
CAP Accepted Date: 10/12/2007

Requirement:

Provision of Notices Regarding Formulary Changes - Prior to removing a covered Part D drug from its formulary or making any changes to the preferred or tiered cost-sharing status of a covered Part D drug, the Part D sponsor must provide a written notice to affected enrollees at least 60 days prior to the date the change becomes effective, or provide such enrollee with a 60 day supply of the Part D drug under the same terms as previously allowed, and written notice of the formulary change at the time an affected enrollee requests a refill of the Part D drug. If the change involves immediate removal of a Part D drug deemed unsafe by the Food and Drug Administration (FDA) or removed from the market by the manufacturer, the Part D sponsor must provide retrospective notice to the affected enrollees.

Reference:

42 CFR § 423.120(b)(5)(i-iii); § 423.120(b)(7); § 423.578(d); Medicare Marketing Guidelines for MAs, MA-PDs, PDPs, and 1876 Cost Plans

Deficiencies:

There were 10 cases in the sample. For all cases the notice to the member, did not include an explanation of the means by which the enrollee may obtain an updated coverage determination of an exception to a coverage determination.

Corrective Action Required:

The MAO must submit a revised notice to CMS for approval that includes the required information.

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Findings: Not Met
Contract Number: S5741
Audit ID: 661
Part D Sponsor Name: HIP HEALTH PLAN OF NEW YORK

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 1
Auditing Element: TP02
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 5/14/2007
Date Report Due: 6/28/2007
Element Accepted Date: 7/20/2007
Element Release Date: 7/20/2007
Element Projected Completion Date: 9/30/2007
3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 3/26/2007
Estimated Visit Start Date: 3/30/2007
Actual Visit Start Date: 3/26/2007
Actual Visit End Date: 3/30/2007
Part D Sponsor Response Received Date: 6/27/2007
Part D Sponsor Response Due Date: 6/28/2007
CAP Release Date: 10/12/2007
CAP Accepted Date: 10/12/2007

Requirement:

Transition Process for Residents of Long-Term Care Facilities - The Part D sponsor must have and implement an appropriate transition process in accordance with CMS requirements for addressing the unique needs of long-term care (LTC) facility residents prescribed Part D drugs that are not on its formulary or that are on its formulary but require prior authorization or step therapy.

Reference:

42 CFR § 423.120(b)(3); PDP Solicitation; Information for Part D Sponsors on Requirements for a Transition Process

Deficiencies:

The organization has signed contracts with certain LTC pharmacies that do not conform to section 50.5.3 in Chapter 6 of the Medicare Prescription Drug Benefit Manual. Beneficiaries serviced by Omnicare LTC pharmacies have additional beneficiary protections. Those beneficiaries serviced by other LTC pharmacies are disadvantaged by the existing differential benefits. "Plan benefits must be applied uniformly to all similarly situated enrollees, meaning that all enrollees residing in LTC facilities must be subject to the same rules."

Corrective Action Required:

The organization must offer uniform LTC beneficiary protections.