Title: Implementation of a pharmacy-initiated process ensuring the receipt of Medicare’s new-technology add-on payments for formulary medications

Abstract:

Introduction:
In 2001, Medicare implemented new technology add-on payments (NTAP) for newly approved medications that are considered substantial improvements over standard therapies in hospitalized patients. The NTAP is designed to help offset high drug or device acquisition costs that are coupled with inadequate reimbursement through Medicare’s inpatient prospective patient system, thus potentially incentivizing the use of newer, improved treatments. At AtlantiCare Regional Medical Center (ARMC), there are two medications on formulary that qualify for NTAP, meropenem-vaborbactam and andexanet alfa. The purpose of this study is to establish a pharmacy-initiated process that ensures the receipt of NTAP for eligible medications.

Methods:
In September 2019, a list of NTAP eligible medications was evaluated on the Center for Medicare and Medicaid Services’ website. Two NTAP eligible medications were identified on our ARMC formulary, meropenem-vaborbactam and andexanet alfa. The inpatient use of these medications will be tracked from September through November 2019 via a report generated from Cerner Discern Analytics. All patients included in this study will have Medicare as their primary insurance and have received a medication with NTAP designation. Pharmacy, billing, coding, and finance personnel collaborated to ensure the appropriate steps were taken during the coding and billing process. The medication name, financial account number, and date of dispensing will be provided to the billing and coding liaisons via email from a pharmacy clinical coordinator prior to patient discharge. Study investigators will collect and present data regarding compliance with our process, barriers encountered, and NTAP reimbursement received. Additionally, a detailed explanation highlighting the steps required by our billing and coding departments will be presented specific to each medication.

Results:
Medications with NTAP designation is ordered by a provider, verified by a pharmacist. Administration is documented via the electronic medication administration record by nursing. Using the computer application 3MTM 360 EncompassTM, coders from the hospital’s health information management team will thoroughly evaluate each patient’s medical record to assign the most appropriate International Classification of Diseases, 10th Revision, Procedure Coding System (ICD-10-PCS) code to each diagnosis and procedure. Coders access a patient’s medical record on 3MTM 360 EncompassTM by searching their financial account number. On the left
side of the profile screen will be a list of notes from the patient’s stay, and on the right side will be a section to input ICD-10-PCS codes. Diagnoses and procedures, including the administration of M/V or andexanet alfa, are highlighted in the patient’s notes in 3MTM 360 EncompassTM. Coders then launch McKesson STAR Navigator to transfer ICD-10-PCS codes from 3MTM 360 EncompassTM to a patient’s McKesson STAR Navigator profile. Codes in McKesson STAR Navigator are automatically added to an electronic UB-04 form. A UB-04 form is an electronic document that is completed to submit a claim to Medicare. At ARMC, members of the billing department review a UB-04 form before it is sent to Medicare. Once Medicare receives and processes the form, an MS-DRG reimbursement is sent to the hospital. The time from submission to receipt of reimbursement is 3-6 weeks at ARMC. For patients that receive an NTAP eligible treatment, an alert is being created by the pharmacy and informatics departments at ARMC that will appear on their McKesson STAR Navigator profile. The alert will remind coders to include the NTAP ICD-10-PCS code when transferring codes from 3MTM 360 EncompassTM. This special code is added at the bottom of the UB-04 form in section 74e under “other procedure code.” This process resulted in an additional NTAP of $10,740.77 for a single case where a patient received andexanet alfa.

Discussion:
Creating a pharmacy initiated process to ensure receipt of NTAP requires a collaborative effort resulting in significantly greater reimbursement. This intervention creates a pathway that can be used for all future uses of NTAP eligible treatments. The development of a process to receive NTAP provides financial benefits to a hospital, with additional reimbursement anticipated to be over $300,000 in FY 2020. The number of NTAP medications is increasing due to less restrictions on eligibility criteria from CMS, and the NTAP amounts are increasing to offset inadequate reimbursement. Taking ownership of this process by Pharmacy is critical to ensure full reimbursement from CMS.