

# **H.R.1474 & S.1954: MEDICARE PART D PROMPT PAY**

Congress must pass legislation to ensure providers on the front lines of the Medicare Part D program are paid promptly by Part D plans. Please co-sponsor H.R. 1474, the Fair and Speedy Treatment of Medicare Prescription Drug Claims Act or S. 1954, the Pharmacy Access Improvement Act.

## **COMMUNITY PHARMACISTS SERVE THE COMMUNITY**

- More than 23,000 independent pharmacies serving their communities throughout the country.
- These small businesses provide over 300,000 jobs.
- Community pharmacies provide access to cost-effective prescription and non-prescription medicines which help keep our workforce, our seniors and our children healthy.
- In many smaller communities, pharmacies are the primary local health care resource.

## **PLANS MUST PAY PROVIDERS PROMPTLY**

- Part D is administered by a mere handful of Pharmacy Benefit Managers, or PBMs, who use their size and prominent position to dictate payment terms to independent pharmacies.
- PBM payment delays under Part D have forced many independents to carry a credit line averaging over \$70,000 per store.
- Having made the implementation of Part D a success, independents should not be shouldered with the unnecessary burden of banking the program.
- Providers should be reimbursed electronically within 14 days for clean claims submitted electronically.

## **CLEAN CLAIMS AND THE CONFUSION OF CO-BRANDING**

- “Clean claims” must be defined so that properly submitted claims which contain all necessary information and are not rejected by the third party in a timely fashion will be paid without delay.
- All rejected claims must be accompanied by an explanation.
- Part D plans have featured the logos of chain pharmacies on the informational materials sent to their beneficiaries, leading many seniors to believe they could only patronize those featured pharmacies.
- Marketing guidelines expressly prohibit “steering” patients in regard to Part D plans. The same standard should be applied to prohibit steering patients to a particular provider.
- Patients should know they have their choice of community pharmacy—a key policy initiative in the creation of Part D.

**H.R. 1474 and S. 1954 require no additional government appropriations.**

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