Retail Pharmacy Audit
Utah Pharmacists Association 2013 CE Meeting

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Express Scripts Overview

- National healthcare leader
  - Dedicated to making the use of prescription drugs safer and more affordable for our 3,400 clients with more than 100 million members

- Process 1.4 billion prescriptions annually through our network of 60,000+ pharmacies

- Focused on helping patients, caregivers and providers make better decisions to achieve healthier clinical and financial outcomes
Retail Pharmacy Audit Program Objectives

Express Scripts Retail Pharmacy Audit Program helps ensure accurate submission and reimbursement of prescription claims.

- Objectives:
  - Identify and correct high risk claims submitted and reimbursed inaccurately
  - Ensure compliance with Network Provider Manual
  - Pharmacy education
  - Refer potential fraudulent pharmacy cases to ESI Fraud Investigations
Educating the Pharmacy

- Our main goal is to educate the pharmacies so claims are submitted accurately the first time
  - Provider Manual includes examples of common errors
  - Automated Daily Claims Review – often leads to a desk audit
  - Exit interview during an On-Site Audit
  - Meet with Chain Headquarters and PSAOs to provide additional information
  - Provide continuing education to pharmacists and technicians on accurate claim transmission and how to prepare for an audit
  - Corrective Action Plans
Why do we audit?

- We want to provide the best network of retail pharmacies for our clients
  - Clients want to pay for the correct amount of medication for the correct days supply.
    - Risk(s) to client if patient receives too much medication or the claim was submitted inaccurately include:
      - Change in therapy; therapy discontinued
      - Plan design change
      - Change in employer
    - Medicare Part D star Ratings may be negatively impacted if the clinical programs designed to increase patient adherence, is not matching what was submitted.
Audit Triggers

- High Ingredient Cost
- Quantity vs Days Supply
- Compounds
- Reversal Rates
- Controlled Substances
- Other Analytic Triggers

1. Automated Review
2. Next Day Claims Audit
3. Historical Claims Audit
4. Onsite Audit
Best Preparation for ALL Audits?

- Document! Document! Document!
- Know and follow all State and Federal regulations
- Be familiar with the Provider Manual
- Submit each claim accurately – if ? Call Help Desk.
- Know how the patient is using their medication – this is for their safety
- Clarify (and document) any ambiguous directions – Use professional judgment when speaking with patient to clarify
- Any clarifications provided post audit must be prescriber generated
Common issues that require clarification:

- Insulin – if you have directions, calculate and submit the actual days supply – plans vary and change over time.
  - If there are no specific directions, sliding scale, or UD, get clarification and document how the days supply was calculated.
- Hypothetical Example: Patient A
  - Drug: Humulin N  Qty: 6 vials  Refills: PRN  Sig: UD per sliding scale
  - What days supply should we enter? How much should we dispense if a 30 day plan? How about if a 90 day plan?
Common Issues that require clarification (cont.)

- Creams and Ointments – based on professional judgment, how much does patient need for the specific area and duration of treatment?
  - Hypothetical Example: Patient B
    - Drug: Aczone  Qty: 120 gm  Refill: PRN  Sig: App UD
    - Is this enough information to determine a days supply?
    - What if this was for Dovonex?

- Eye Drops
  - Hypothetical Example: Patient C
    - Drug: Alrex  Qty: 15 ml  Refill: 0  Sig: 1 ou bid
    - What days supply should be submitted?
Types of Audits

- **Automated Review:** involves a continuous, automated review of the Express Scripts claims, identifying outlier claims and pharmacies.

- **Next Day In-House Audits:** allows for a high-volume review of the claims submitted by pharmacies for review and correction prior to claim billing and reimbursement.

- **Historical In-House Audits:** allows for claims review from the Express Scripts data warehouse that may be selected for audit outside of the Next Day process.

- **On-site Audits:** process includes a detailed review of claims and compliance documentation performed on-site at the network pharmacy locations.

- **Investigations:** combination of historical in-house and on-site based on specific tips or aberrant trends
Desk Audit

- Can be both next day and historical
- Notification is received via fax, email or USPS.
- Pharmacy should provide the specific requested information within 30 days to be considered for review. Follow up in a timely manner, as failure to provide the information could result in a full chargeback of the claim.
- Auditor will notify the pharmacy of results within 30 days and pharmacy has 30 days to appeal findings.
- Telephone audits are typically resolved the same day.
On-Site Audits - Timeline

- 14 - 21 days prior to audit date, Audit Notification letters are sent, typically via fax (email to chain headquarters), a minimum of 10 days prior to the audit schedule date. Date range is typically 18 months (original dates for hard copies may be further back than this).

- Within 7 days of the scheduled audit date, will send masked list to assist in preparation. Typically less than 200 claims would be reviewed.

- Confirmation calls are made to ensure pharmacy received information to prepare for the audit.

- Within 30 days of the audit being conducted, initial audit findings will be provided to pharmacy or chain headquarters.

- Pharmacy has 30 days from the date the initial audit findings are sent, to provide substantiating documentation for audit findings.

- Final results of appealed discrepancies are provided to pharmacy within 90 days from the appeal documentation deadline.
Preparing for an On-Site Audit

- Document often and keep records organized from the beginning
- Scheduling changes may be accommodated if requested early
- Make sure all requested records are available and orderly
  - Including prescription hard copies and signature logs
  - Scanned images? Ensure system is fast enough to pull up records, have a dedicated terminal to use for the audit
- Have a place for the auditor to work and dedicate an extra person who is familiar with the pharmacy software to assist the auditor.
  - Know how to pull up notes/annotations
FWA Investigations

- Are conducted when suspicion of Fraud, Waste or Abuse.
- Additional information may be required in instances where fraud tips, news articles, suspected fraud, aberrant claim patterns or member/client complaints are received.
- Typically, investigations consist of a closer review of claim elements, including, but not limited to:
  - Patient confirmation
  - Prescriber confirmation
  - Invoice/Purchase verification
  - Potential on-site review
Additional types of audits

- Medicare Part D Data Validation Audits
  - These audits are triggered by Centers for Medicare and Medicaid Services
  - The purpose of these audits is to validate that the underlying data is correct
  - ESI has little control over the quantity of information requested and the turn around time for these audits (which are usually tight)

- Client Audits – based on client requests usually for specific claims

- Recovery Audit contractor (RAC) Audits – outside vendors
Questions?
Thank You