Press Release

FIGHTING MEDICARE PART D FRAUD WITH ADVANCED PHARMACY ANALYTICS
FOCUS OF FEATURED NHCAA BREAKFAST PROGRAM

SCIO Health Analytics® to share how its analytics help maintain integrity of Part D drug benefit while reducing costs for pharmacy benefit managers and health plans

WEST HARTFORD, Conn. – November 11, 2015 – Spending for Part D drugs has more than doubled since 2006, leading The Centers for Medicare and Medicaid Services (CMS) to seriously examine the integrity of the pharmacy benefit, especially as it relates to commonly abused controlled substances in certain markets around the country. Combating this abuse through advanced pharmacy analytics will be the subject of a featured presentation hosted by SCIO Health Analytics® at the 2015 National Health Care Anti-fraud Association's (NHCAA) Annual Training Conference.

Rena Bielinski, Pharm.D., AHFI, the Senior Vice President and Chief Pharmacy Officer, and Rodger Smith Jr., the Senior Vice President for Payment Integrity at SCIO Health Analytics®, will share their insights on how advanced pharmacy analytics can be used to maintain the integrity of the Part D pharmacy benefit. The anti-fraud breakfast session will be held on Thursday, November 19th, from 7-8 a.m. PDT in the Seaport A Room at the Manchester Grand Hyatt in San Diego.

In a June 2015 report, the CMS Office of the Inspector General (OIG) detailed several concerns about Part D fraud and abuse that threatens the integrity of the Part D benefit, including:

- CMS does not require plan sponsors to report fraud, waste and abuse
- Medicare Drug Integrity Contractors (MEDIC) do not take advantage of all data available
- CMS and Plan Sponsor oversight is not sufficient to protect Part D
- CMS has not leveraged all oversight tools to protect Part D
- Part D remains vulnerable to fraud from plan members, pharmacies and prescribers.

“Medicare spending for commonly abused opioid drugs has grown faster than spending for all Part D drugs, and questionable billing still goes undetected,” Bielinski said. “Historically, CMS has missed several opportunities to leverage advanced data analytics to more effectively identify fraud, waste and abuse. These advanced analytics can not only reduce costs for PBMs and Health Plans alike, they can also help maintain the integrity of the pharmacy benefit.”

The OIG estimates that $7.8 billion is spent on controlled substances – approximately 6 percent of the total spending for Part D drugs. The problem is especially acute when it comes to spending for commonly abused opioids, which has increased an astounding 156% from 2006 to 2014. The total number of beneficiaries receiving opioids grew by 92% during that time period, compared to 68% for all other drugs.
The CMS is also concerned about questionable billing and abuse in states such as Alaska, Oklahoma, Tennessee, North Carolina, Alabama and Utah, which have the highest spend per member for opioids. States with a high proportion of opioids per beneficiary include Alabama, Tennessee and Oklahoma.

SCIO Health Analytics® breakfast program on using Advanced Pharmacy Analytics to combat abuse of the Part D benefit will offer attendees insights on:

- Identifying member drug-seeking behavior
- Leveraging weekly proactive Pharmacy Report Cards for reports on all pharmacy networks that help identify spikes and trends in questionable billing and abuse
- Analyzing potential overlaps in payment under both the pharmacy and medical payment through comparison of state billing codes (J Codes) to National Drug Codes (NDCs)

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