

PUBLICATION

Coronavirus: New Guidance for Medicare Advantage and Part D Plans

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On Monday, March 9, 2020, the Centers for Medicare and Medicaid (CMS) released information on permissible flexibilities and obligations that are in effect during a disaster and emergency resulting from COVID-19.

Flexibilities

Medicare Advantage Plans (MA). In the memorandum issued, CMS outlined the flexibilities Medicare Advantage and Part D plans have to waive certain requirements. These flexibilities include:

- Waiving cost-sharing for COVID-19 tests
- Waiving cost-sharing for COVID-19 treatments in doctors' offices or emergency rooms and services delivered via telehealth
- Removing prior authorization requirements
- Waiving prescription refill limits, relaxing restrictions on home or mail delivery of prescription drugs
- Expanding access to certain telehealth services

Part D Sponsors. Part D sponsors may also take the following actions to ensure pharmacy access during a disaster or state of emergency resulting from COVID-19:

- **Relax "Refill-Too-Soon" Edits and Provide Maximum Extended Day Supply** – Part D sponsors may relax their "refill-too-soon" edits if circumstances are reasonably expected to result in a disruption in access to drugs.
- **Reimburse Enrollees for Prescriptions Obtained from Out-of-Network Pharmacies** – Part D sponsors must ensure enrollees have adequate access to covered Part D drugs dispensed at out-of-network pharmacies when those enrollees cannot reasonably be expected to obtain covered Part D drugs at a network pharmacy.
- **Home or Mail Delivery of Part D Drugs** – In situations when a disaster or emergency makes it difficult for enrollees to get to a retail pharmacy, or enrollees are actually prohibited from going to a retail pharmacy (e.g., in a quarantine situation), Part D sponsors are permitted to voluntarily relax any plan-imposed policies that may discourage certain methods of delivery.
- **Prior Authorization for Part D Drugs** – As is the case for Medicare Advantage organizations, consistent with flexibilities available to Part D sponsors absent a disaster or emergency, Part D sponsors may choose to waive prior authorization requirements at any time.

Special Requirements

Special requirements during a disaster or emergency related to Part A/B and supplemental Part C benefit access can be found at 42 CFR 422.100(m). A declaration by the state's governor or protectorate is one of the triggering events for these special requirements. Under the regulation, special requirements are in effect until

the end date identified in the state declaration or for 30 days, if no end date is identified in the declaration. To date, declarations have been made in at least 18 states.

These special requirements include:

- Cover Medicare Parts A and B services and supplemental Part C plan benefits furnished at non-contracted facilities. Note: facilities that furnish covered A/B benefits must have participation agreements with Medicare.
- Waive, in full, requirements for gatekeeper referrals where applicable.
- Provide the same cost-sharing for the enrollee as if the service or benefit had been furnished at a plan-contracted facility.
- Make changes that benefit the enrollee effective immediately without the 30-day notification requirement.

These useful resources provide greater detail:

- [CMS COVID-19 – Special Requirements Memorandum](#)
- [CMS COVID-19 Press Release](#)

For more information specific to this topic, please contact the author or a member of our [Government Relations and Public Policy Group](#), or visit the [Coronavirus \(COVID-19\): What You Need to Know](#) information page on our website.