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Representing the People of the Sixth District of New Jersey

The Medicare Prescription Drug Integrity Act of 2013
Strengthening Medicare Part D to help stop prescription drug abuse

The Problem: The Centers for Disease Control and Prevention (CDC) has classified prescription drug abuse as an epidemic. Nearly one-third of people aged 12 and over who used drugs for the first time in 2009 began by using a prescription drug non-medically. This nationwide epidemic impacts people of all ages, including individuals eligible for Medicare.

According to a Health and Human Services (HHS) Office of Inspector General (OIG) report,¹ hundreds of thousands of Part D prescriptions are inappropriately ordered by unauthorized prescribers at the expense of millions of dollars to Medicare.

- **Waste**—In 2009, Medicare inappropriately paid \$5.4 million for over 72,000 prescriptions ordered by 14 prescriber types that do not have the authority to prescribe in any State, including massage therapists, athletic trainers, and dental hygienists. Medicare paid an additional \$26.2 million for nearly 350,000 prescriptions for drugs ordered by counselors, chiropractors, social workers, occupational therapists, and others who were not authorized to prescribe in 10 select states that the study examined.
- **Fraud**—Nearly 30,000 prescriptions for controlled substances were ordered by individuals who did not have the authority to prescribe; of these prescriptions, more than 7,000 were narcotics, such as oxycodone, which have the highest potential for abuse and can be diverted and resold for profit.
- **Abuse**—According to GAO², about 170,000 Medicare beneficiaries exhibited characteristics that suggested they were “doctor shopping” visiting multiple prescribers in order to obtain multiple prescriptions for controlled substances such as oxycodone and hydrocodone – one example cites an individual who received prescriptions from 87 different providers.

The Solution: Right now, if the Secretary has reason to believe there is a pattern of inappropriate prescribing, patient drug abuse or diversion in the Medicare Part D program the Secretary does not have the tools to respond appropriately.

The Medicare Prescription Drug Integrity Act of 2013 will strengthen the Medicare law by:

- Providing the Secretary of HHS with new tools to remove bad prescribers who commit fraud from the Medicare program.
- Providing CMS and the Part D health plans the ability to deny payment for drugs that are dangerous to patient health and fail to meet Medicare’s requirement for payment.
- Helping ensure prescriptions are prescribed by doctors and dispensed by pharmacies that are legitimate and appropriately registered with the DEA. Requiring plan sponsors to have drug utilization programs in place that would restrict access if there was credible evidence of beneficiaries abusing or diverting drugs, similar to the requirements currently in place for Medicaid.

¹ “Medicare Inappropriately Paid for Drugs Ordered by Individuals Without Prescribing Authority,” June 2013, HHS Office of the Inspector General, OEI -02-09-00608.

² “Instances of Questionable Access to Prescription Drugs,” September 6, 2011, GAO 11-699