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ATTENTION PHARMACY PROVIDERS

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An Important Announcement from the Wyoming Medicaid Pharmacy Program

Section 1128A(a)(5) and section 1128A(i) of the Social Security Act states that a person who through routine, advertised waivers of co-payments or deductible amounts not based on individualized determinations of financial need or exhaustion of reasonable collection efforts may be liable for civil money penalties of up to \$10,000 for each wrongful act.

According to the Office of Inspector General, "Section 1128A(a)(5) of the act bars offering of remuneration to Medicare or Medicaid beneficiaries where the person offering the remuneration knows or should know that the remuneration is likely to influence the beneficiary to order or receive items or services from a particular provider. The "should know" standard is met if a provider acts with deliberate ignorance or reckless disregard. No proof of specific intent is required. (See 42 CFR 1003.101.)."

The term "remuneration" has a well-established meaning in the context of various health care fraud and abuse statutes. It has been generally interpreted to include "anything of value." The definition of "remuneration" for purposes of section 1128A(a)(5) affirms this broad definition.

The Wyoming Medicaid Pharmacy Program is aware of the practice of waiving co-payments of Medicaid clients not based upon financial need or exhaustion of reasonable collection efforts by some pharmacies in the State of Wyoming. Please be aware that this is an official cease and desist request by the Wyoming Department of Health Medicaid Program. Penalties may be assessed to pharmacies found to be engaged in this practice.

Questions may be directed to the
Wyoming Medicaid Pharmacy Program at 1-800-438-5785.

