

(c) *Applicability of QIO confidentiality provisions.* The provisions of part 480 of this chapter apply to Part D sponsors in the same manner as such provisions apply to institutions under part 480 of this chapter.

§ 423.165 Compliance deemed on the basis of accreditation.

(a) *General rule.* A Part D sponsor is deemed to meet all of the requirements of any of the areas described in paragraph (b) of this section if—

(1) The Part D sponsor is fully accredited (and periodically reaccredited) for the standards related to the applicable area under paragraph (b) of this section by a private, national accreditation organization approved by CMS; and

(2) The accreditation organization uses the standards approved by CMS for the purposes of assessing the Part D sponsor's compliance with Medicare requirements.

(b) *Deemable requirements.* The requirements relating to the following areas are deemable:

(1) Access to covered drugs, as provided under §§ 423.120 and 423.124.

(2) Drug utilization management programs, quality assurance measures and systems, and MTMPs as provided under § 423.153.

(3) Privacy, confidentiality, and accuracy of enrollee records, as provided under § 423.136.

(c) *Effective date of deemed status.* The date the Part D sponsor is deemed to meet the applicable requirements is the later of the following:

(1) The date the accreditation organization is approved by CMS.

(2) The date the Part D sponsor is accredited by the accreditation organization.

(d) *Obligations of deemed Part D sponsors.* A Part D sponsor deemed to meet Medicare requirements must—

(1) Submit to surveys by CMS to validate its accreditation organization's accreditation process; and

(2) Authorize its accreditation organization to release to CMS a copy of its most recent accreditation survey, together with any survey-related information that CMS may require (including corrective action plans and summaries of unmet CMS requirements).

(e) *Removal of deemed status.* CMS removes part or all of a Part D sponsor's deemed status for any of the following reasons—

(1) CMS determines, on the basis of its own investigation, that the Part D sponsor does not meet the Medicare requirements for which deemed status was granted.

(2) CMS withdraws its approval of the accreditation organization that accredited the Part D sponsor.

(3) The Part D sponsor fails to meet the requirements of paragraph (d) of this section.

(f) *Authority.* Nothing in this section limits CMS' authority under subparts K and O of this part, including, but not limited to the ability to impose intermediate sanctions, civil money penalties, and terminate a contract with a Part D plan sponsor.

[70 FR 4525, Jan. 28, 2005, as amended at 75 FR 19818, Apr. 15, 2010]

§ 423.168 Accreditation organizations.

(a) *Conditions for approval.* CMS may approve an accreditation organization for a given standard under this part if the organization meets the following conditions:

(1) In accrediting Part D sponsors and Part D plans, it applies and enforces standards that are at least as stringent as Medicare requirements for the standard or standards in question.

(2) It complies with the application and reapplication procedures set forth in § 423.171.

(3) It ensures that—

(i) Any individual associated with it, who is also associated with an entity it accredits, does not influence the accreditation decision concerning that entity;

(ii) The majority of the membership of its governing body is not comprised of managed care organizations, Part D sponsors or their representatives; and

(iii) Its governing body has a broad and balanced representation of interests and acts without bias.

(b) *Notice and comment—(1) Proposed notice.* CMS publishes a notice in the FEDERAL REGISTER whenever it is considering granting an accreditation organization's application for approval. The notice—