

108TH CONGRESS
1ST SESSION

S. 1270

To amend title XVIII of the Social Security Act to provide for coverage of medication therapy management services under part B of the medicare program.

IN THE SENATE OF THE UNITED STATES

JUNE 16, 2003

Mr. JOHNSON (for himself and Mr. COCHRAN) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to provide for coverage of medication therapy management services under part B of the medicare program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medication Therapy
5 Management Act of 2003”.

6 **SEC. 2. MEDICARE COVERAGE OF MEDICATION THERAPY**
7 **MANAGEMENT SERVICES.**

8 (a) COVERAGE.—Section 1861(s)(2) of the Social Se-
9 curity Act (42 U.S.C. 1395x(s)(2)) is amended—

3 (2) in subparagraph (V), by inserting “and” at
4 the end; and

(3) by adding at the end the following new sub-paragraph:

7 “(W) medication therapy management services
8 (as defined in subsection (ww)(1));”.

9 (b) SERVICES DESCRIBED.—Section 1861 of the So-
10 cial Security Act (42 U.S.C. 1395x) is amended by adding
11 at the end the following:

12 “Medication Therapy Management Services; Qualified
13 Pharmacist

“(ww)(1)(A) The term ‘medication therapy management services’ means services or programs furnished by a qualified pharmacist to an individual described in subparagraph (B), individually or on behalf of a pharmacy provider, which are designed—

19 “(i) to ensure that medications are used appro-
20 priately by such individual;

21 “(ii) to enhance the individual’s understanding
22 of the appropriate use of medications;

23 “(iii) to increase the individual’s compliance
24 with prescription medication regimens;

1 “(iv) to reduce the risk of potential adverse
2 events associated with medications; and

3 “(v) to reduce the need for other costly medical
4 services through better management of medication
5 therapy.

6 “(2) The term ‘qualified pharmacist’ means an indi-
7 vidual who is a licensed pharmacist in good standing with
8 the State Board of Pharmacy.”.

9 (c) COVERED CONDITIONS AND TREATMENTS.—Sec-
10 tion 1861(w)(1) of such Act (42 U.S.C. 1395x(w)(1))
11 (as added by subsection (b)), is amended by adding at the
12 end the following:

13 “(B) For purposes of subparagraph (A), an indi-
14 vidual described in this subparagraph is an individual who
15 is receiving, in accordance with State law or regulation,
16 medication for—

17 “(i) the treatment of asthma, diabetes, or
18 chronic cardiovascular disease, including an indi-
19 vidual on anticoagulation or lipid reducing medica-
20 tions; or

21 “(ii) such other chronic diseases as the Sec-
22 retary may specify.”.

23 (d) PAYMENT.—

1 (1) IN GENERAL.—Section 1833(a)(1) of the
 2 Social Security Act (42 U.S.C. 1395l(a)(1)) is
 3 amended—

4 (A) by striking “and” before “(U)”;

5 (B) by inserting before the semicolon at
 6 the end the following: “, and (V) with respect
 7 to medication therapy management services (as
 8 defined in section 1861(ww)(1)), the amounts
 9 paid shall be 80 percent of the lesser of the ac-
 10 tual charge or the amount established under
 11 section 1834(n)”.

12 (2) ESTABLISHMENT OF FEE SCHEDULE; PAY-
 13 MENTS PRIOR TO IMPLEMENTATION OF FEE SCHED-
 14 ULE.—Section 1834 of the Social Security Act (42
 15 U.S.C. 1395m) is amended by adding at the end the
 16 following new subsection:

17 “(n) FEE SCHEDULES FOR MEDICATION THERAPY
 18 MANAGEMENT SERVICES.—

19 “(1) DEVELOPMENT.—The Secretary shall de-
 20 velop—

21 “(A) a relative value scale to serve as the
 22 basis for the payment of medication therapy
 23 management services (as defined in section
 24 1861(ww)(1)) under this part; and

1 “(B) using such scale and appropriate con-
2 version factors, fee schedules (on a regional,
3 statewide, locality, or carrier service area basis)
4 for payment for medication therapy manage-
5 ment services under this part, to be imple-
6 mented for such services furnished during years
7 beginning after the expiration of the 3-year pe-
8 riod which begins on the date of enactment of
9 this subsection.

10 “(2) CONSIDERATIONS.—In developing the rel-
11 ative value scale and fee schedules under paragraph
12 (1), the Secretary shall consider differences in—

13 “(A) the time required to perform types of
14 medication therapy management services;

15 “(B) the level of risk associated with the
16 use of particular out-patient prescription drugs
17 or groups of drugs; and

18 “(C) the health status of individuals to
19 whom medication therapy management services
20 are provided.

21 “(3) CONSULTATION.—In developing the fee
22 schedule for medication therapy management serv-
23 ices under this subsection, the Secretary shall con-
24 sult with various national organizations representing
25 pharmacists and pharmacies and share with such or-

1 ganizations the relevant data and data analysis
2 being used in establishing such fee schedule, includ-
3 ing data on variations in payments under this part
4 by geographic area and by service.

5 “(4) PAYMENTS PRIOR TO IMPLEMENTATION
6 OF FEE SCHEDULE.—In the case of a medication
7 therapy management service (as defined in section
8 1861(w)(1)) that is furnished before the implemen-
9 tation of the fee schedule developed under paragraph
10 (1)(B), the Secretary shall pay an amount equal to
11 80 percent of the amount that the Secretary would
12 pay for such service under the fee schedule estab-
13 lished under section 1848 if the service were fur-
14 nished by a physician or as an incident to a physi-
15 cian’s service.”.

16 (e) REPORT TO CONGRESS.—Not later than 3 years
17 after the date of enactment of this Act, the Secretary of
18 Health and Human Services shall submit to Congress a
19 report on the relative value scale and fee schedules devel-
20 oped under section 1834(n)(1) of the Social Security Act
21 (as added by subsection (d)(2)) for medication therapy
22 management services furnished under part B of the medi-
23 care program under title XVIII of the Social Security Act.

1 (f) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to services furnished on or after
3 January 1, 2004.

