

# informed on reform

KEEPING YOU UP-TO-DATE ON THE PPACA

## A change to over-the-counter eligibility for reimbursement

As part of the Patient Protection and Affordable Care Act (PPACA), starting January 1, 2011 over-the-counter (OTC) drugs and medicines will no longer qualify for reimbursement from health plan spending accounts unless an individual has a prescription for the drug from their health care professional.

### How does this impact me?

If you have patients with a Health Reimbursement Account (HRA), Health Savings Account (HSA) or Flexible Spending Account (FSA), and you determine the patient

needs an OTC medicine other than insulin and diabetic supplies, you may be asked to provide a prescription for the OTC medicine you advise them to take.

### What does CIGNA require to be a valid prescription?

A "prescription" is defined by the U.S. government as a written or electronic order for a medicine or drug that meets the legal requirements of a prescription in the state in which the medical expense is incurred and is issued by an individual legally authorized to dispense prescriptions in that state.

### Why does my patient need a prescription from me to purchase an OTC medicine?

Patients can still purchase OTC medications and drugs without a prescription from you. However, if they wish to receive reimbursement for any qualified OTC purchases made with funds from their HRA or FSA health account, they will need to receive a prescription from you for that OTC medication or drug.

Patients with HSAs should retain copies of prescriptions and receipts for federal income tax purposes in the event of an IRS audit.

### What OTC medicines will require a prescription?

Though the list of items has not been finalized, medications in the following categories will no longer be eligible for reimbursement from a patient's health spending account unless prescribed by a health care professional:

- Acid Controllers
- Allergy & Sinus
- Antibiotic Products
- Anti-Diarrheals
- Anti-Gas
- Anti-Itch & Insect Bite
- Anti-Parasitic Treatments
- Baby Rash Ointments/Creams
- Cold Sore Remedies
- Cough, Cold & Flu
- Digestive Aids
- Feminine Anti-Fungal/Anti-Itch
- Hemorrhoidal Treatments
- Laxatives
- Motion Sickness
- Pain Relief
- Respiratory Treatments
- Sleep Aids & Sedatives
- Stomach Remedies

### Are there any OTC medications that will not require a prescription?

The following OTC items, including insulin and diabetic supplies, will not require a prescription for a patient to receive reimbursement from their health spending account:

- Adhesive Bandages
- Braces & Supports
- Catheters
- Contact Lens Supplies & Solutions
- Contraceptives
- Denture Adhesives
- Diagnostic Tests & Monitors
- Elastic Bandages & Wraps
- First Aid Supplies
- Insulin & Diabetic Supplies
- Ostomy Products
- Reading Glasses
- Wheelchairs, Walkers, Canes

## Do I need to see the patient before I write a prescription for an OTC medicine or drug?

As the provider of care for your patient, it is at your discretion if the patient should see you prior to providing a prescription to them.

## How long will a prescription I give to my patient for an OTC medication be valid?

A prescription you provide to your patient for an OTC medication or drug will be valid for 12 months (1 year) from the date issued.

## Will I be reimbursed for an office visit if I have the patient come to my office before I write a prescription?

If your patient comes to your office for an office visit, you may code for an office visit and will be reimbursed for it, subject to the terms of the patient's plan of coverage including applicable copayment, coinsurance and/or deductible requirements.

## Will I be reimbursed if another clinical resource in my office (e.g. Physician Assistant) sees the patient and writes the prescription?

If your patient comes to your office for an office visit and is seen by another clinical resource in your office, a prescription can be provided if it is issued by an individual legally authorized to dispense prescriptions in your state. This visit may be coded as an office visit and you will be reimbursed for it, subject to the patient's benefit coverage guidelines and applicable copayment, coinsurance and/or deductible amounts.

## If I choose not to see the patient, will CIGNA reimburse an OTC prescription paperwork expense?

CIGNA will not reimburse you for paperwork expenses related to providing your patient with a prescription. This applies whether you see the patient in your office or provide them with a prescription without an office visit.

## Can I charge my patient for an over-the-counter prescription paperwork expense?

Your participating provider agreement prohibits charging patients other than patient

deductible, coinsurance or copayment amounts for Covered Services. If you submit a claim for a Covered Service such as an office visit, this provision prohibits billing the patient separately for paperwork associated with the office visit.

If you do not submit a claim for a Covered Service in connection with providing a prescription for an over-the-counter medication, it is your decision whether or not to charge the patient for associated paperwork. Any such charge will not be reimbursed under the CIGNA administered plan.

## Can I use electronic prescription software (ePrescribe) to provide an OTC prescription?

If you use ePrescribe software that includes OTC medications and drugs, you may use this software to print out an OTC prescription so your patient can use it to be reimbursed.

## How do I find out more about this change?

CIGNA will continue to provide updates as specific information is made available. Visit [www.informedonreform.com](http://www.informedonreform.com) for the latest information about health care reform legislation.

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