



**Rocky Mountain
HEALTH PLANS®**
We understand Colorado. We understand you.

Rocky
Mountain

HEALTH

SPRING 2012

Cook smart for your heart

To take good care of your heart, make sure you play it smart in the kitchen.

Preparing and eating low-cholesterol, low-fat meals can help you reduce your blood cholesterol level. And that can reduce your chances of having a heart attack or stroke.

The best way to keep cholesterol in check is to avoid foods high in saturated and trans fats, which your body converts into cholesterol. Check food labels to avoid high-fat items.

The American Heart Association offers these tips for low-cholesterol cooking:

Meats

- Select lean cuts of meat, and trim off all visible fat before cooking.
- Broil rather than fry meats such as hamburger, lamb chops, and steak.
- Use a rack to drain off fat when broiling, roasting, or baking.
- Make gravies after the fat has hardened and can be removed from the liquid.

Vegetables

- Include vegetables with every meal.
- Use liquid vegetable oils or margarines to cook vegetables, brown meats, and make pancakes and waffles.

Cooking

- Serve moderate portions.
- Try dishes featuring pasta, rice, beans, or vegetables, where meat is not the primary ingredient.
- Replace foods high in saturated fats, such as butter, with liquid vegetable oil or low-fat margarine.
- Cook in a way that requires little or no fat—boil, bake, roast, poach, steam, sauté, or stir-fry.

For more tips on how to prepare low-cholesterol meals, visit www.americanheart.org.

➤ Who sets medication prices?

➤ New Medicare rules



Price check

WHO DECIDES HOW MUCH BRAND-NAME DRUGS COST?

When a new drug hits the market, the pharmaceutical company determines the price to charge. To decide on a price, they do a lot of market research and look at the type of illness the drug treats, how many prescriptions they think will be written per year, and the price of competing drugs. The goal is to recoup the money spent on getting the drug approved by the Food and Drug Administration, which often includes years of testing and clinical trials. The price is set as high as possible while still being marketable.

The actual cost of making a tablet or capsule has little to do with its price to consumers.

After the pharmaceutical company sets the price, the cost to the consumer depends upon how much profit the wholesaler and then the pharmacy

needs to make on each prescription. For people with insurance, the cost depends on the negotiation between the health plan and the pharmacy. Pharmacies are paid enough to make a profit but often less than they would charge to cash-paying customers.

How about generics? When a drug's patent expires, it becomes available as a generic. Several pharmaceutical companies can then distribute it. This makes the drug a "commodity," and the more companies that get involved, the lower the price gets. These companies have no development costs to recoup, so they can charge pennies per tablet and still make a profit.

The price a pharmacy charges consumers depends on several factors. If the patient is paying cash, the price may be much higher than the pharmacy paid for the drug. If a health plan is paying for the drug, a maximum allowable cost (MAC) is established. The MAC price is determined by learning exactly how much a pharmacy really pays for a drug, adding in a reasonable profit, and setting the price. This often leads to significant savings for Members, who benefit from the health plan's set price. A few pharmacies offer some

drugs for these low prices even to cash paying customers, like the famous Walmart \$4 prescriptions.

However, not all pharmacies use the MAC price. Walgreens stores do not use the typical RMHP MAC for pricing generics, so you may notice higher prices on generic drugs at Walgreens. We recommend using another pharmacy if you count on the lowest prices for your generic drugs.

Should I submit my \$4 generic to RMHP?

WON'T I PAY MORE?

No, you won't pay more. If a pharmacy sells a drug for \$4, that's the price that they must submit to Rocky Mountain Health Plans (RMHP). We recommend all prescriptions be paid through RMHP so that your drug profile reflects the exact drugs you are taking. An accurate drug profile helps your doctor and pharmacist manage all of your medications and avoid dangerous drug interactions.

New Medicare rules about durable medical equipment

Members of RMHP Medicare plans may access Original Medicare benefits when traveling and receiving services outside of the RMHP network. In this situation, Members are responsible for any Original Medicare deductible and coinsurance.

Medicare has asked RMHP to inform you of some new requirements for Durable Medical Equipment (DME) in certain parts of the country. This applies to items such as oxygen equipment and supplies, wheelchairs, walkers, and hospital beds ordered by a doctor or other health care provider enrolled in

Medicare for use in the home.

New—Medicare is phasing in a new program called “competitive bidding” to help save you and Medicare money; ensure that you continue to get quality equipment, supplies, and services; and help limit fraud and abuse. In some areas of the country if you need certain items, you must use specific suppliers or Medicare won’t pay for the item and you likely will pay full price. It’s important to see if you’re affected by this new program to ensure Medicare payment and avoid any disruption of service.

This program is effective in the following states: CA, FL, IN, KS, KY, MO, NC, OH, PA, SC, TX.

In certain areas in the states listed above, you need to use specific suppliers for Medicare to pay for the following items:

- Oxygen supplies and equipment
- Standard power wheelchair, scooter, and related accessories
- Certain complex rehabilitative power wheelchairs and related accessories
- Mail-order diabetes supplies
- Enteral nutrients, equipment, and supplies
- Hospital beds and related accessories
- Continuous Positive Airway Pressure (CPAP) devices and Respiratory Assist Devices (RADs) and related supplies and accessories
- Walkers and related accessories
- Support surfaces including certain mattresses and overlays (Miami, Fort Lauderdale, and Pompano Beach only)

You can call **1-800-MEDICARE (1-800-633-4227)** to find out if a certain supplier is able to provide Medicare-covered DME, and whether they are able to bill Medicare on your behalf (TTY users should call **1-877-486-2048**).



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Durable medical equipment fraud

Durable medical equipment (DME) is medical equipment that can withstand repeated use and is needed for medical reasons because of injury, sickness, or a disability and that would not be useful in the absence of illness, injury, or disability. It is used in the home to help achieve a better quality of living. It includes oxygen equipment, wheelchairs, hospital beds, and more.

While the vast majority of DME providers are honest businesses, as in any other industry there are those limited few that have questionable practices. Growth in DME fraud continues to keep pace with the legitimate DME industry. Some of the reasons for this are:

- No special credentials or licenses are required to become a provider of DME.
- There has been an increase in demand for many DME devices.
- The costs to start a DME business are low.

Some types of fraud include:

- Phantom supplies: you are billed for products or services that were never received.
- Altered or fake prescriptions: The DME provider alters or submits a false prescription.
- Bait and switch: The DME provider bills for a higher-

quality item, but the patient receives a lower-quality item. Or, the patient is provided a product that can be purchased at many retail outlets and is charged for a custom product.

There are certainly more than just these types of fraud listed.

Rocky Mountain Health Plans (RMHP) needs the help of our Members to prevent and detect fraud, waste, and abuse. Health care fraud and abuse can occur in many ways and are not limited to DME. Review your Explanation of Benefits (EOB) for any discrepancies or suspicious items. Please let us know if you have any reason to suspect health care fraud, waste, or abuse from any provider or supplier of services.

To make a report, contact RMHP:

- Email the Fraud Auditor at fraudauditor@rmhp.org.
- Call the Fraud Hotline at **970-248-5101** or toll-free at **888-237-1179**.
- Mail your complaint to the Fraud Auditor at PO Box 10600, Grand Junction, CO 81502-5600.
- Medicare Members can also call **800-MEDICARE**.

Your complaint should include who you suspect is committing fraud, what they are doing, when the suspicious activity took place, why it happened, and how it happened. Please leave your name and contact information (optional) in case additional information is needed.