



Medicare and Oral Anticancer Drugs

(Jurisdiction C)

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Hello and welcome to Medicare Minute MDSM, a video and podcast series produced by the DME MACs for the benefit of physicians and healthcare providers. I'm Dr. Robert Hoover, Medical Director at CGS Administrators, LLC (CGS), the Jurisdiction C DME MAC. This series of videos, also available as a podcast, are tailored to provide important Medicare policy information for physicians and other healthcare providers who prescribe durable medical equipment or related services when treating Medicare beneficiaries.

In our series introduction, I spoke about reasonable and necessary determinations versus benefit category decisions. Today I'm going to speak specifically about another benefit category administered by the DME MACs – Oral Anticancer Drugs. You can read more about this benefit category in our local coverage determination and related policy article on oral anticancer drugs.

Just because Durable Medical Equipment is in the name of our contractor type, it doesn't mean that we only deal with claims for DME. There are several other benefit categories under the jurisdiction of the DME MACs including the one I'll be discussing today – oral anticancer drugs. This is another one of those misunderstood benefits in Medicare. While one might think from the title – oral anticancer drugs – that all oral anticancer drugs are covered but that is not the case. Congress put limitations on the benefit. The statutory coverage requirements are shown on your screen now.

For an oral anticancer drug to be covered, all of the criteria 1-4 must be met and it's criteria 2 and 3 are usually the ones that are misunderstood.

To be covered, the oral anticancer drugs must have the same active ingredients as a non-self-administrable anticancer chemotherapeutic drug or biological. In other words, the oral anticancer drug and the non-self-administrable drug must have the same chemical/generic name or it is a prodrug which, when ingested, is metabolized into the same active ingredient which is found in the non-self-administrable form of the drug. So for example, Xeloda or capecitabine, is a prodrug that is metabolized in the body to 5-FU. Xeloda is covered under the oral anticancer benefit.

Criterion 2 also highlights a situation where a treatment may be medically appropriate but for which there is no Medicare benefit paid by the DME MACs. Take for example Gleevec® or imatinib mesylate, a drug used to treat a type of leukemia and certain gastrointestinal tumors. This drug is not covered under the DME MAC oral anticancer drug benefit. Why? Because it is only available in the pill form. There is no injectable form of the drug; therefore, no Medicare coverage under the benefits administered by the DME MACs.



Criterion 3 is also critical to understanding the statutory restrictions around this benefit. The oral drugs must be used for the same anticancer chemotherapeutic indications, including unlabeled or “off-label” uses, as the non-self-administrable form of the drug. So if the oral formulation has one set of cancer diagnoses and the IV formulation is indicated for a different list of diagnoses, there is no coverage under Medicare. That is why it is so important that you read both the local coverage determination and the related policy article for oral anticancer drugs. That’s where you’ll find the list of covered drugs, shown on your screen now . . . and more importantly, the list of covered ICD-10 diagnoses for each one of these drugs. The DME MAC medical directors review this list quite often to make sure that we’re upto- date with both the drugs and the indications.

That does it for this edition of Medicare Minute MDSM. As a reminder, you can download and print a written transcript of this program. And, don’t forget, this information is also available on podcast. Our complete library is located under the Education menu on <https://www.cgsedicare.com>.

As with all of CGS’ educational offerings, this is only a summary of certain policy requirements. I encourage you to read the applicable LCD and related Policy Article for a complete description of the coverage, coding and documentation requirements.

Thank you for watching and have a nice day.