OVERPRESCRIBED ANTIPSYCHOTICS IN NURSING HOMES

On November 30, 2011, Daniel R. Levinson, Inspector General, appeared before the Special Committee on Aging, and testified regarding the Office of Inspector General's (OIG) findings pertaining to the use of atypical antipsychotic drugs by nursing home residents.

The OIG hired psychiatrists who are experts in treating elderly patients to review a sample of 2007 medical records. The review revealed four (4) significant results:

1. Approximately 305,000 nursing home residents had Medicare claims for atypical antipsychotic drugs;
2. Half of these claims should not have been paid for by Medicare due to medically unacceptable usage;
3. One in five of the claims indicated the drugs had been dispensed in a way that violated the Government's standards for their use (i.e., the resident's dosage was too high or the resident had been using the medication for too long; and,
4. Sponsors in the Part D prescription drug plan (PDPs) lacked access to information necessary to ensure appropriate reimbursement of Part D drugs, including antipsychotics.

From these findings, the OIG concluded that Medicare is paying for drugs for which it should not be reimbursing the claimants, and that PDPs are unable to prevent these inappropriate payments. Moreover, the OIG found that atypical antipsychotic drugs were being prescribed to high risk elderly patients with dementia for uses not approved by the FDA. However, the OIG report indicated that a large majority of the claims was for this vulnerable population.

The complete report can be accessed at levinson_testimony_11302011.

If you have questions or concerns regarding the foregoing or would like additional information, please contact your regular Hall Render attorney, or Todd Selby at tselby@hallrender.com or 317.977.1440; Brian Jent at bjent@hallrender.com or 317.977.1402; or David Bufford at dbufford@hallrender.com or 502.568.9368.