



Managed Care Pharmacy Encounters Paid to Omnicare Pharmacy

A Managed Care Network Provider Contracted Under Superior HealthPlan, Inc., UnitedHealthcare Community Plan of Texas, L.L.C., and UnitedHealthcare Insurance Company, Inc.

Results in Brief

Why OIG Conducted This Audit

The Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division (OIG Audit) conducted an audit of Omnicare Pharmacy (Omnicare) for prescriptions dispensed to Superior HealthPlan, Inc. (Superior HealthPlan), UnitedHealthcare Community Plan of Texas, L.L.C., and UnitedHealthcare Insurance Company, Inc., (UnitedHealthcare) members. Pharmacy audits are conducted to verify that Texas Medicaid members have access to vital medications in accordance with contractual, state, and federal requirements.

During the period from March 1, 2020, through August 31, 2022, Omnicare was paid (a) \$1,195,255.02 for 22,864 Texas Medicaid managed care encounters for prescriptions dispensed to Superior HealthPlan members and (b) \$679,712.75 for 7,481 Texas Medicaid managed care encounters for prescriptions dispensed to UnitedHealthcare members.

Summary of Review

The audit objective was to determine whether Omnicare (a) properly dispensed prescriptions associated with selected encounters for Texas Medicaid members enrolled with Superior HealthPlan and UnitedHealthcare and (b) complied with applicable contractual, state, and federal requirements.

The audit scope covered the period from March 1, 2020, through August 31, 2022.

Conclusion

Omnicare Pharmacy (Omnicare) filled and dispensed prescriptions for Texas Medicaid members; however, Omnicare did not consistently comply with certain requirements for dispensing medication, confirming medication delivery, providing instructions for use, and accurately submitting claims. As a result, Omnicare was overpaid and should repay \$2,275.44 to the state of Texas.

Key Results

Omnicare correctly dispensed prescriptions for 274 of 319 pharmacy encounters tested. However, Omnicare did not consistently comply with certain requirements. Specifically, Omnicare submitted:

- One claim with a prescription order that was not signed by the prescriber, resulting in an overpayment totaling \$287.26.
- Three claims for medications it dispensed more than one year after the prescription issuance date, resulting in an overpayment totaling \$539.65.
- Three claims that were missing confirmation of medication delivery, resulting in an overpayment of \$1,448.53.
- One claim with a dispensing label with inaccurate instructions for use.
- Forty-one claims with incorrect prescription issuance dates.

Background

Omnicare is a community-based, closed-door pharmacy located in San Antonio, Texas, that provides pharmacy services for Superior HealthPlan and UnitedHealthcare, which are managed care organizations (MCOs). For pharmacy benefit manager (PBM) services to process outpatient pharmacy claims, Superior HealthPlan works with Envolve, Inc., and UnitedHealthcare works with OptumRx, Inc.

To participate in Texas Medicaid, pharmacy providers must enroll with the Texas Health and Human Services Commission (HHSC) before providing outpatient prescription services and participating in any managed care network. MCOs must allow any Medicaid-enrolled pharmacy provider willing to accept the terms and conditions of the MCO or PBM contract to enroll in the network.

Management Response

Omnicare agreed with the audit recommendations and indicated corrective actions would be implemented immediately.

Recommendations

Omnicare should:

- Improve its dispensing processes to verify each medication dispensed has (a) a signed, current prescription order and (b) documentation of medication delivery for submitted claims.
- Implement a process to verify dispensing labels contain the correct instructions for use.
- Update its claim submission process to verify it submits the correct prescription issuance date for each prescription.

Additionally, Omnicare was overpaid and should repay \$2,275.44 to the state of Texas.