



**Service:** MSACP (Medicare Set-Aside Certified Planner)  
**Module:** LEARNING MODULE 4  
*Workers' Compensation Medicare Set-Aside Prescription Overview*  
**Faculty:** Deanna Lawrence, AVP Clinical Services, Sanderson Firm  
Budge Cutrera, Senior Clinical Specialist, Sanderson Firm

### **Summary**

This module, taught by Deanna Lawrence and Budge Cutrera, provides a comprehensive examination of prescription medications in Workers' Compensation Medicare Set-Asides (WCMSAs). It emphasizes the importance of accurate medication allocation to protect Medicare's interests and ensure claimant needs are met.

**Prescription Role in Treatment:** Medications are often the first line of treatment for work-related injuries. The module addresses acute, subacute, and chronic pain, with corresponding treatments such as over-the-counter medications, prescription drugs, and non-pharmaceutical alternatives like acupuncture and massage. Chronic pain management often involves a combination of medications, therapy, and other strategies, with opioids reserved for short-term, severe cases. The CDC's 2016 guidelines stress minimal opioid use, favoring non-addictive alternatives.

**Prescription Review Criteria:** A critical part of WCMSA preparation is reviewing and documenting the current prescription medications. Medical records, a current pharmacy history, and physician office dispensing records must align to verify medications, dosages, and refill frequencies. Medicare mandates that only FDA-approved drugs for medically accepted indications be included.

**Addressing Discrepancies:** Discrepancies between medical and pharmacy records require careful evaluation. For instance, if prescription records indicate medications not listed in medical records, these are typically included unless clarified otherwise. Conversely, outdated or incomplete records may lead to allocation errors. CMS guidelines recommend erring on the side of inclusion when in doubt to protect Medicare's interests.

**Pricing and Allocation:** Medications are priced based on the lowest Average Wholesale Price (AWP) from the Redbook database (non-repackaged). Allocation calculations consider various factors, including dosage forms (e.g., tablet vs. capsule) and frequency of use. Extended-release medications, while less frequent, often incur higher costs than immediate-release alternatives. Evaluating cost-effective options can result in significant savings without compromising efficacy.



**Exclusions and Challenges:** Certain categories of medications, such as those for cosmetic purposes, weight loss, or non-FDA-approved uses, are excluded from WCMSAs. Additionally, drug weaning and tapering processes are rarely assumed successful by CMS, requiring lifetime allocations unless evidence proves otherwise. Compound medications, while composed of covered individual drugs, are generally excluded due to their mixed formulations.

**Key Takeaways:** The module concludes by reiterating the importance of thorough, accurate documentation and careful review of all medication-related records. Practitioners must ensure consistency across the payment and prescription histories, medical records, and pharmacy data to achieve precise allocations. Tools like the National Drug Code (NDC) and verified pricing platforms help validate information.

Addressing discrepancies and considering cost-effective alternatives allows for accurate WCMSAs. This module highlights the intricacies of prescription allocation, emphasizing the need for meticulous review processes to safeguard Medicare's interests while meeting claimants' medical needs.

### **Learning Objectives**

1. Understand the role of prescription medications in WCMSAs and their impact on allocations.
2. Identify criteria for reviewing prescription histories, including dosage, frequency, and medication forms.
3. Learn the procedures for pricing medications based on Medicare coverage, FDA approvals, and available alternatives.
4. Recognize common discrepancies in prescription and medical records and how to resolve them.
5. Evaluate the influence of weaning, contraindications, and non-covered medications on WCMSA allocations.

### **Primary Takeaways**

1. Medications are a primary treatment for injuries in WCMSAs, requiring detailed allocation based on accurate medical and prescription records.
2. Detailed prescription histories should include dosages, refills, and consideration whether the medications align with the work-related injury.
3. Accurate pricing uses Redbook AWP, following Medicare coverage guidelines.
4. Medical and prescription records must align; discrepancies should be resolved using the most recent and complete data.
5. Decisions on drug allocations must prioritize claimant needs as documented in the medical records.



## **Course Outline**

- 1) Overview of Prescription Medications in WCMSAs
  - a) Importance of medications in injury treatments.
  - b) Types of pain and medication applications:
    - i) Acute, subacute, and chronic pain treatments.
    - ii) Opioids and alternatives (gabapentin, physical therapy).
  - c) CDC guidelines for opioid prescriptions.
  
- 2) Prescription History and Review
  - a) Criteria for Prescription Histories:
    - i) Includes dosage, form, and refill frequency.
    - ii) Must reflect medications prescribed within the last two years.
  - b) Identifying and Resolving Discrepancies:
    - i) Aligning prescription histories with medical records.
    - ii) Addressing issues with multiple pharmacies or providers.
  - c) Documenting Current Medications:
    - i) Ensuring accuracy in relation to the injury claim.
  
- 3) Medication Allocation and Pricing
  - a) Medicare Coverage and Pricing:
    - i) Differentiating between covered and non-covered medications.
    - ii) Using Redbook AWP pricing for allocations.
  - b) Generic vs. Brand-Name Medications:
    - i) Evaluating cost-effectiveness and physician recommendations.
  - c) Addressing Non-Covered Items:
    - i) Excluding vitamins, off-label drugs, and over-the-counter medications.
  
- 4) Special Considerations in WCMSAs
  - a) Medication Tapering and Weaning:
    - i) Challenges in extrapolating dosages for life expectancy.
    - ii) Importance of medical evidence in allocation.
  - b) Contraindications and Drug Warnings:
    - i) Prioritizing claimant safety and Medicare interests.
  - c) Reviewing Dispensed Medications:
    - i) Identifying physician-dispensed medications.
  
- 5) Final Steps for Accurate WCMSA Preparation
  - a) Comprehensive Documentation:



This document is the property of MSPCollege  
(a service of Sanderson Firm and WorkCompCollege.com)  
and cannot be reproduced or distributed without authorization.

- i) Ensuring all prescription and medical records align.
- b) Utilizing Tools for Pricing:
  - i) Verifying information through Redbook.
- c) Key Takeaways:
  - i) Emphasis on accuracy, claimant needs, and Medicare compliance.

NOTE: Artificial Intelligence was used in the creation of this document.