

'93 has authorized phased-in extensions to the Medicare coverage period for prescription drugs used in immunosuppressive therapy. In accordance with this new legislation, the period after the hospital discharge date in which a Medicare beneficiary is eligible to receive Part B coverage of prescription drugs used in immunosuppressive therapy has been extended as follows:

- For drugs furnished during 1995, a Medicare beneficiary is eligible for coverage within 18 months after the date of discharge from an inpatient stay during which the covered transplant was performed.

- For drugs furnished during 1996, a Medicare beneficiary is eligible for coverage within 24 months after the date of discharge from an inpatient stay during which the covered transplant was performed.

- For drugs furnished during 1997, a Medicare beneficiary is eligible for coverage within 30 months after the

date of discharge from an inpatient stay during which the covered transplant was performed.

- For drugs furnished after 1997, a Medicare beneficiary is eligible for coverage within 36 months after the date of discharge from an inpatient stay during which the covered transplant was performed.

Thus, the extension provides a range of coverage extending from 12 to 36 months depending on the date of discharge from an inpatient stay during which the covered transplant was performed.

For example, if prescription drugs used in immunosuppressive therapy are furnished to a beneficiary who received a covered transplant and was discharged on February 1, 1994, the initial coverage period is for 12 months (February 1, 1994 to January 31, 1995). In accordance with OBRA '93, on January 1, 1995, the coverage period for prescription drugs used in immunosuppressive therapy will be extended to 18 months from the

hospital discharge date following a covered transplant procedure. Therefore, the initial 12-month coverage period is extended to July 31, 1995 because section 13565 of OBRA '93 extends coverage for drugs furnished in 1995 to 18 months. Subsequently, the eligibility for coverage for drugs furnished in 1996 is extended to 24 months after the discharge date. Because January 31, 1996 is 24 months after the discharge date of the covered transplant procedure in this example, the beneficiary is eligible for an additional month of coverage beginning January 1, 1996 and ending on January 31, 1996. Thus, the beneficiary will receive a total of 19 months of coverage for prescription drugs used in immunosuppressive therapy.

The following chart illustrates how the extension periods prescribed by OBRA '93 will be phased in using a discharge date of the first day of each month.

PHASED-IN BENEFIT PERIODS FOR IMMUNOSUPPRESSIVE DRUG THERAPY

Discharge date	Coverage period ends	Coverage period resumes	Coverage period ends	Total months of coverage
08/1/93	07/31/94	01/1/95	01/31/95	13
09/1/93	08/31/94	01/1/95	02/28/95	14
10/1/93	09/30/94	01/1/95	03/31/95	15
11/1/93	10/31/94	01/1/95	04/30/95	16
12/1/93	11/30/94	01/1/95	05/31/95	17
01/1/94	06/30/95	.....	.....	18
02/1/94	07/31/95	01/1/96	01/31/96	19
03/1/94	08/31/95	01/1/96	02/29/96	20
04/1/94	09/30/95	01/1/96	03/31/96	21
05/1/94	10/31/95	01/1/96	04/30/96	22
06/1/94	11/30/95	01/1/96	05/31/96	23
07/1/94	06/30/96	.....	.....	24
08/1/94	07/31/96	01/1/97	01/31/97	25
09/1/94	08/31/96	01/1/97	02/28/97	26
10/1/94	09/30/96	01/1/97	03/31/97	27
11/1/94	10/31/96	01/1/97	04/30/97	28
12/1/94	11/30/96	01/1/97	05/31/97	29
01/1/95	06/30/97	.....	.....	30
02/1/95	07/31/97	01/1/98	01/31/98	31
03/1/95	08/31/97	01/1/98	02/28/98	32
04/1/95	09/30/97	01/1/98	03/31/98	33
05/1/95	10/31/97	01/1/98	04/30/98	34
06/1/95	11/30/97	01/1/98	05/31/98	35
07/1/95	06/30/98	.....	.....	36

As illustrated in the chart, the statutory construction of the provision in OBRA '93 that prescribed the phased-in extension of coverage for drugs used in immunosuppressive therapy resulted in gaps in the coverage period.

However, as stated earlier, section 160 of the Social Security Act Amendments of 1994 allows us to administer this provision in such a way that consecutive months of coverage are furnished provided the total number of months of coverage allowed by OBRA '93 are the same. Thus, in the above

example, the beneficiary who was discharged on February 1, 1994 will receive 19 consecutive months of coverage (through August 31, 1995) for prescription drugs used in immunosuppressive therapy.

The periods of consecutive coverage for prescription drugs used in immunosuppressive therapy are illustrated in the following chart. The chart demonstrates how the OBRA '93 provisions would be phased in using a discharge date of the first day of each month.

PHASED-IN CONSECUTIVE BENEFIT PERIODS FOR IMMUNOSUPPRESSIVE DRUG THERAPY

Discharge date	Coverage period ends	Total months of coverage
08/1/93	08/31/94	13
09/1/93	10/31/94	14
10/1/93	12/31/94	15
11/1/93	02/28/95	16
12/1/93	04/30/95	17
01/1/94	06/30/95	18
02/1/94	08/31/95	19
03/1/94	10/31/95	20