



DIVISION OF MEDICAL SERVICES PROVIDER BULLETIN

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PHARMACY PROVIDERS AND THOSE BILLING PHARMACY CLAIMS BULLETIN

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THIRD PARTY LIABILITY (TPL)

Missouri Medicaid will begin editing pharmacy claims with existing, verified third party coverage on September 9, 2005. Please pay close attention to the following specifications and contact your software vendor to begin making the appropriate changes to your systems. If Missouri Medicaid shows active third party pharmacy coverage for a recipient the claim will deny. The rejected claim will return the recipient's third party information to the pharmacy to facilitate billing the primary payer. Field 301-C1 will show the Third Party Liability (TPL) Group ID and field 526 – FQ will show the TPL Carrier Name and Phone Number on all rejected claims. Initially, the TPL edit will be a "soft" edit. In limited situations in which the pharmacy has verified that the third party coverage is no longer effective or does not apply to the claim, providers will have the ability to override this edit with the eligibility clarification code value of "2". This code will be entered in field 309-C9. Please note that any terminated coverages can be reported, by the pharmacy, to Missouri Medicaid to update the TPL database. (See Section 5.8 of the Missouri Medicaid Pharmacy Provider Manual). The Third Party Liability Unit may be contacted at 573-751-2005. The pharmacy may also encourage the Medicaid recipient to contact their caseworker or the Recipient Services Unit to update their information. As always, claims will be subject to review.

In addition, Missouri Medicaid will begin accepting "copay only" claims. The following link to the Missouri Medicaid NCPDP 5.1 Companion Guide gives detailed information regarding the trading partner or payer specific data elements. You may access the Companion Guide at: <http://www.medicaid.state.mo.us/lpBin22System/lpext.dll?f=templates&fn=main-j.htm&2.0>, select Systems Manual, EDI Companion, NCPDP Telecommunication V.5.1 and Batch Transaction Standard V.1.1 Companion Guide, Section 6 – Payer Specific Business Rules and Limitations. The updates are shown in **GREEN TEXT**. This information is available for all Medicaid/MC+ fee-for-service providers. Please note, this project is currently in the testing phase with implementation scheduled for September 9, 2005.

DIABETIC SUPPLIES – PREFERRED DRUG LIST AWARD – POINT OF SALE BILLING

In the continuing effort to promote patient blood glucose testing, while also minimizing state expenditures, Missouri Medicaid/MC+ fee-for-service has moved into Phase II of the diabetic testing supply preferred products initiative. In December 2003, the pharmacy program initiated a single source diabetic testing supply initiative. With the intent of increasing recipient choice, selected products of multiple manufacturers have been awarded preferred status. Effective April 1, 2005, the Missouri Medicaid/MC+ fee-for-service pharmacy program now covers, without prior authorization, the following manufacturers for diabetic testing supplies:

- Bayer Diagnostics Division
- Abbott Diabetes Care
- Becton Dickinson
- Home Diagnostics, Inc.
- Roche Diagnostics
- Sherwood
- Lifescan

A non-reference product prior authorization, for other brands, will be reviewed on an individual patient basis and evaluated for medical necessity. The authorized prescriber may request prior authorization by calling the Pharmacy Help Desk at 800-392-8030, or by faxing the Diabetic Supplies Prior Authorization Form to 573-636-6470.

For a complete listing of covered diabetic testing supplies, please visit our website at <http://www.dss.mo.gov/dms> and click on the “Frequently Updated Pharmacy Information” in the “Quick Links” box.

PREPAYMENT REVIEW

Due to the high number of unit billing errors submitted by providers, the Pharmacy Program has continued the drug prepayment review program. Prepayment review is a process by which Direct Electronic File Transfer (DEFT) and Internet claims for certain products are reviewed for unit billing and days supply accuracy prior to payments being processed. These claims will suspend until reviewed. Providers can expect an approximate 2 to 4 day delay in payment processing for these claims. Point of Sale (POS) claims are no longer subject to this review. POS claims ARE still subject to post payment review for appropriate unit billing and days supply accuracy. Providers will be notified of incorrectly billed claims, and will be required to submit an adjustment. Please note that providers billing via the Internet may now bill a decimal quantity. For specific questions concerning affected drug products and claims payment status, contact the Pharmacy Administration Unit at (573) 751-6963. As of July 1, 2005, the following products are on prepayment review:

Drug Name	Generic	Name Strength
Neupogen	Filgrastim	300mcg/0.5mL
Aranesp	Darbepoetin Alpha	100mcg/0.5ml
Taxotere	Docetaxel	20mg/0.5ml

MEDICATION BILLING

The quantity to be billed for injectable medications dispensed to Missouri Medicaid recipients must be calculated as follows:

- Containers of medication in solution (for example, ampules, bags, bottles, vials, syringes) must be billed by the exact cubic centimeters or milliliters (cc or ml) dispensed, even if the quantity includes a decimal (i.e., if three (3) 0.5 ml vials are dispensed, the correct quantity to bill would be 1.5 mls).
- Single dose syringes and single dose vials must be billed per cubic centimeters or milliliters (cc or ml), rather than per syringe or per vial.
- Ointments must be billed per number of grams even if the quantity includes a decimal.
- Eye drops must be billed per number of cubic centimeters or milliliters (cc or ml) in each bottle even if the quantity includes a decimal.
- Powder filled vials and syringes that require reconstitution must be billed by the number of vials.
- Combination products, which consist of devices and drugs designed for use together, are to be billed as a kit (for example Copaxone, Pegasys).
- The product Herceptin, by Genentech, must be billed by milligram (mg) rather than by vial.
- Immunizations and vaccines must be billed by the cubic centimeters or milliliters (cc or ml) dispensed, rather than per dose.

Claims billed incorrectly are identified through a dispute resolution process. When these claims are identified, providers are notified and required to file adjustments to accurately reflect the quantity dispensed.

For specific questions concerning injectable medication billing, contact the Pharmacy Administration Unit, at (573) 751-6963.

COMPOUND BILLING

Internet and POS claim submissions will allow compound claims with up to 25 ingredients. Although billed as one claim, the multiple ingredients of a compound will appear as separate lines on the Remittance Advice and will have a common prescription number. The first ingredient billed via POS will be assigned a compound indicator of '1' (internet claims will have an indicator of '0') and will have copay and dispensing fee applied. All remaining ingredients will be assigned a compound indicator of '2' and will not have copay or dispensing fee applied. POS compound claims billed with 4 or fewer ingredients will be adjudicated on-line. Compounds billed with 5 or more ingredients will not be processed in real time, but will be captured/suspended and processed in batch.

If a compound claim is submitted to Missouri Medicaid via POS version 5.1, and one or more of the ingredients are not payable, the entire claim – including all National Drug Codes (NDCs) will be automatically reversed. It will then be the pharmacy's option to resubmit the claim with the appropriate Submission Clarification Code. If the pharmacy submits the compound with all NDCs (both payable and non-payable) and also includes a Submission Clarification Code value of 08 in field 420-DK, Missouri Medicaid will process the claim for only those ingredients that are covered. For questions concerning compound billing contact the Pharmacy Administration Unit at (573) 751-6963.

ELIMINATION OF PAPER CLAIMS

Missouri Medicaid issued a bulletin to providers dated July 1, 2005 regarding claims processing enhancements. Providers were advised that paper claims, paper adjustments and paper attachments would be eliminated beginning July 1, 2005. Enhancements to the Internet health care claim screens on the Medicaid website at <http://www.emomed.com/> will provide for the submission of additional claim and attachment information. Some enhancements have been finalized and others will be phased in over the next several months.

To receive prompt email notification of updates throughout the phase-in process, providers should complete registration at "Subscribe to Missouri Medicaid News" at the top of the Division of Medical Services' webpage at <http://www.dss.mo.gov/dms>. Providers should frequently reference bulletins on the Division of Medical Services' website for specific program information. Upon completion of all enhancements to the electronic billing processes, providers must be prepared to use a clearinghouse, billing agent or the Medicaid website at <http://www.emomed.com/> for all claims submission.

Provider Bulletins are available on the DMS Website at <http://www.dss.mo.gov/dms/pages/bulletins.htm>. Bulletins will remain on the Published Bulletin site only until incorporated into the [provider manuals](#) as appropriate, then moved to the Archived Bulletin site.

Missouri Medicaid News: Providers and other interested parties are urged to go to the DMS Website at <http://dss.missouri.gov/dms/subscribe/MedNewsSubscribe.htm> to subscribe to the list serve to receive automatic notifications of provider bulletins, provider manual updates, and other official Missouri Medicaid communications via e-mail.

MC+ Managed Care: The information contained in this bulletin applies to coverage for:

- MC+ Fee-for-Service
- Medicaid Fee-for-Service
- Services not included in MC+ Managed Care

Questions regarding MC+ Managed Care benefits should be directed to the patient's MC+ Managed Care health plan. Before delivering a service, please check the patient's eligibility status by swiping the red MC+ card or by calling the Interactive Voice Response (IVR) System at 1-573-635-8908 and using Option One.

Provider Communications Hotline
573-751-2896