



An Information Service of the Division of Medical Assistance

**North Carolina
Medicaid Pharmacy
Newsletter**

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Recipient Opt-In Program and Monthly Prescription Limits

The restricted pharmacy services program called the Recipient Opt-In program for beneficiaries receiving more than eleven prescriptions per month will be ending on **February 7, 2013**. Medicaid beneficiaries participating in this program will no longer be restricted to one pharmacy in order to receive more than eleven prescriptions per month. In addition to this change, the eight monthly prescription limit and the three additional prescription overrides each month will be ending on **February 7, 2013** in conjunction with removal of the Opt-In program. Beneficiaries with low adherence to chronic medications and polypharmacy will be referred to the Community Care of North Carolina Network for medication therapy management to ensure coordinated care.

Please note that the Recipient Management Lock In program is still active for beneficiaries receiving opioid analgesics and certain benzodiazepines. Beneficiaries in this program will continue to be restricted to one pharmacy and one prescriber to receive prescriptions for opioid analgesics and certain benzodiazepines.

New BIN Instructions for the Roche ACCU-CHEK Free Meter Program

Effective January 16, 2013, Roche has switched to a new vendor to process free ACCU-CHEK meters under the pharmacy BIN program. Pharmacy providers can dispense an ACCU-CHEK meter to NC Medicaid and NC Health Choice beneficiaries (one meter per beneficiary) by submitting the following information at the pharmacy terminal:

BIN#: 610524

PCN#: 1016

Group#: 40026479

ID#: 066499643

For issues/questions on the Meter BIN program, contact the Pharmacist Helpline at 1-800-657-7613. The Helpline is operational 8:00 am to 8:00 pm EST, Monday – Friday.

Hemophilia Specialty Pharmacy Program

The specialty pharmacy program for hemophilia drugs mandated by the General Assembly [Session Law 2012-142, Section 10.48 (a2)] will be implemented on **January 31, 2013**. Pharmacy providers furnishing hemophilia drugs and services to Medicaid and Health Choice beneficiaries should follow the clinically appropriate standards of care outlined in Clinical Coverage Policy No. 9B, *Hemophilia Specialty Pharmacy Program*. The related hemophilia maximum allowable costs for 340B and non-340B pharmacy providers will also be implemented on January 31, 2013. Policy and reimbursement information will be posted on the DMA Outpatient Pharmacy Program website at <http://www.ncdhhs.gov/dma/pharmacy/index.htm>.

Pharmacies submitting 340B purchased product should indicate a value of '20' in the Submission Clarification Code field (42Ø-DK) for POS claims or a value of 'P' in the EPSDT field for claims submitted on paper.

The first quarterly monitoring period related to the hemophilia policy will occur from **April to June 2013**, with reports submitted to Community Care of North Carolina in July 2013. Monitoring parameters for the April – June 2013 quarter will be selected from those listed in the policy and will be announced in the DMA Pharmacy Newsletter published at the end of February/beginning of March. Stakeholders who wish to provide input to CCNC regarding the monitoring parameters selected or the mechanism of submission of quarterly reports should contact **Trista Pfeifferberger**, Assistant Director of Pharmacy Programs with CCNC. She can be reached at tpfeifferberger@n3cn.org or 919-926-3923

No Copayments for Pregnant Medicaid Beneficiaries

Pregnant women enrolled in the Medicaid program are exempt from paying copayments. The following actions may be taken on a pharmacy claim to exempt the copayment for a Medicaid beneficiary who is pregnant:

- Use diagnosis codes V22 or V23, **OR**
- place a “**2**” in the pregnancy indicator field (NCPDP field 335-2C), **OR**
- place a “**4**” in the Prior Authorization Type Code field, **OR**
- place a “**P**” in the location field for a paper claim

Pregnancy in these cases may be determined by the professional judgment of the pharmacist.

Pharmacy Dispensing Fee Changes

The Medicaid and Health Choice dispensing fees for generic and brand drugs will be changing effective February 1, 2013. The dispensing fee for brand drugs will change to \$3.00.

The dispensing fee for generic drugs will be determined according to the following revised tiers:

- Greater than 82% claims per quarter = \$7.75
- Between 77.1% and 82% claims per quarter = \$6.50
- Between 72.1% and 77% claims per quarter = \$4.00
- Less than or equal to 72% claims per quarter = \$3.00

The dispensing fees for generic drugs will change again effective July 1, 2013 and will be determined according to the following revised tiers:

- 80% or more claims per quarter = \$7.75
- Between 75% and 79.9 % claims per quarter = \$6.50
- Between 70% and 74.9% claims per quarter = \$4.00
- Less than or equal to 69.9% claims per quarter = \$3.00

It is important for pharmacy providers to check their generic dispensing rate and make sure that they make appropriate system changes in order to submit the appropriate dispensing fees for reimbursement. Pharmacies should continue to submit the gross amount due and their usual and customary amount.

The gross amount due (field 430-DU) should include the Medicaid allowable for the drug plus the applicable dispensing fee. The pharmacy point-of-sale system will know what each provider's generic dispensing fee is for the quarter and will not pay more than what the system will allow for the cost of the drug plus the dispensing fee. There is not a separate field for the dispensing fee – it must be included in the gross amount due as it is today.

A+KIDS Facsimile Form Revision

Due to well documented safety considerations and limited efficacy information on the use of antipsychotic agents in children, NC Medicaid developed a policy titled Off Label Antipsychotic Monitoring in Children through Age 17. The policy was implemented in April, 2011. NC Medicaid and Community Care of North Carolina (CCNC) partnered with child psychiatry experts from our four NC medical schools to develop and implement the registry (Antipsychotics-Keeping It Documented for Safety or A+KIDS) for providers to document the use of antipsychotic therapy in the child and adolescent Medicaid population. This safety monitoring program is designed to make sure NC Medicaid and Health Choice beneficiaries age 0-17 who are prescribed an antipsychotic medication for an "off label" indication are monitored according to generally accepted guidelines. Via participation in the A+KIDS registry, the use of best practice baseline and follow-up monitoring parameters are encouraged, to facilitate the safe and effective use of antipsychotics in this population.

The facsimile form used to submit safety documentation for patients affected by this policy has been revised. Use of this revised form will allow enhanced safety documentation to be captured, and more closely emulates the information captured in the on-line version of the registry. Until March 1, 2013, both the revised and previous versions of the form will be accepted. Effective March 1, 2013, only the revised safety documentation facsimile form will be accepted. This newly revised form is currently located on both the North Carolina Division of Medical Assistance and the Document for Safety websites at:

<http://www.documentforsafety.org/pub/resources?context=akids>

<http://www.ncmedicaidpbm.com/>

Prescribers are strongly encouraged to submit the safety documentation using the web-based A+KIDS registry which grants a 6-12 month approval. Using the facsimile form always results in a three month approval.

Questions regarding this change may be directed to the Division of Medical Assistance at 919-855-4300 or to the Document for Safety provider support desk at 855-272-6576.

Corrected 1099 Requests for Tax Years 2010, 2011, and 2012: Action Required by March 1, 2013

Each provider number receiving Medicaid payments of more than \$600 annually will receive a 1099 MISC tax form from HP Enterprise Services. The 1099 MISC tax form, generated as required by IRS guidelines, will be mailed to each provider no later than January 31, 2013. The 1099 MISC tax form will reflect the tax information on file with N.C. Medicaid as of the last Medicaid checkwrite cycle date, December 20, 2012.

If the tax name or tax identification number on the annual 1099 MISC is incorrect, a correction to the 1099 MISC must be requested. This ensures that accurate tax information is sent to the IRS annually, and is on file with Medicaid for each provider number. When the IRS receives incorrect information on a 1099 MISC, it may require backup withholding from future Medicaid payments. The IRS could require HP Enterprise Services to initiate and continue this withholding until it obtains correct tax data. Note that only the provider name and tax identification number can be changed and must match the W-9 form submitted.

A correction to the original 1099 MISC must be submitted to HP Enterprise Services by March 1, 2013 and each year requested must be accompanied by ONLY the following documentation for that year.

- Cover page from outlining the information that needs to be changed and for which tax year(s)
- A copy of the original 1099 MISC form(s) **OR** the last page of the last Remittance and Status Report(s) showing the total YTD for that specific year(s).
- A **current** signed and completed [IRS W-9 form](#) clearly indicating the correct tax identification number and tax name. (Additional instructions for completing the W-9 form can be obtained at www.irs.gov under the link “Forms and Publications.”) The W-9 form **cannot** be dated prior to a year before submission.

Fax all documents to 919-816-3186, Attention: Corrected 1099 Request – Financial

Or

Mail all documents to:

HP Enterprise Services
Attention: Corrected 1099 Request - Financial
2610 Wycliff Rd. Suite 401
Raleigh, NC 27607-3073

A copy of the corrected 1099 MISC form(s), along with a second copy of the incorrect 1099 MISC form(s) with the “Corrected” box selected, will be mailed to providers for their records. All corrected 1099 MISC requests will be reported to the IRS. In some cases, additional information may be required to ensure the tax information on file with Medicaid is accurate. Providers may be notified by phone or mail of any additional action that may be required to complete the correction information.

Updated Federal Upper Limit Reimbursement List

There are certain drugs that have been identified for which the Federal Upper Limit (FUL) reimbursement rate does not cover the cost of the drug. Medicaid pharmacy programs are required to reference this reimbursement information when pricing drug claims. In order to receive adequate reimbursement, pharmacy providers may use the DAW1 override to override the FUL reimbursement rate for the drugs listed below until the FUL rate has been adjusted to adequately cover the cost of the drug.

A comment should be entered when the DAW1 override code is used to indicate that the FUL is too low to cover the cost of the drug. If there is an active State Maximum Allowable Cost (SMAC) rate on file, the SMAC rate should be submitted. Pharmacy providers should report reimbursement issues to the N.C. Medicaid program at 919-855-4300. Use of the **DAW1** override code for overriding FUL rates will continue to be monitored. Pharmacy providers should also monitor the FUL rates and discontinue use of the DAW1 override code once updates to the FUL rates have occurred.

NDC	DRUG NAME
00054003721	CLARITHROMYCIN 500 MG TABLET
00054302802	ACETYLCYSTEINE 20% VIAL
00093075701	PIROXICAM 20 MG CAPSULE
00093075705	PIROXICAM 20 MG CAPSULE
00168000215	TRIAMCINOLONE 0.5% CREAM
00168000315	TRIAMCINOLONE 0.025% CREAM
00168000380	TRIAMCINOLONE 0.025% CREAM
00168000415	TRIAMCINOLONE 0.1% CREAM
00168000416	TRIAMCINOLONE 0.1% CREAM
00168000480	TRIAMCINOLONE 0.1% CREAM
00168000615	TRIAMCINOLONE 0.1% OINTMENT
00168000616	TRIAMCINOLONE 0.1% OINTMENT
00168000680	TRIAMCINOLONE 0.1% OINTMENT
00168004046	BETAMETHASONE VA 0.1% CREAM
00168005515	BETAMETHASONE DP 0.05% CRM
00168005546	BETAMETHASONE DP 0.05% CRM
00168013460	FLUOCINONIDE 0.05% SOLUTION
00168020230	CLINDAMYCIN PH 1% GEL
00168025815	CLOTRIMAZOLE-BETAMETHASONE C
00168025846	CLOTRIMAZOLE-BETAMETHASONE C
00168031002	DESONIDE 0.05% LOTION
00168031004	DESONIDE 0.05% LOTION
00168038360	METRONIDAZOLE 0.75% LOTION
00185072401	CARISOPRODOL COMPOUND TAB
00185072405	CARISOPRODOL COMPOUND TAB
00228206710	OXAZEPAM 10 MG CAPSULE
00228206910	OXAZEPAM 15 MG CAPSULE
00378135501	TRIAMTERENE-HCTZ 75-50
00378135505	TRIAMTERENE-HCTZ 75-50
00378537501	DOXEPIN 75 MG CAPSULE
00378850091	CLARITHROMYCIN 500 MG TABLET
00472016315	NYSTAIN 100,000 UNIT/GM CREAM
00472016330	NYSTAIN 100,000 UNIT/GM CREAM
00472016615	NYSTAIN 100,000 UNIT 15GMS

00472016630	NYSTAIN 100,000 UNITS 30GMS
00472037915	CLOTRIMAZOLE-BETAMETHASONE CRM
00472037945	CLOTRIMAZOLE-BETAMETHASONE CRM
00472080302	DESONIDE LOTION 0.05%
00472080304	DESONIDE 0.05% LOTION
00527142635	OXYCODONE CONC 20 MG/ML SOLN
00527142636	OXYCODONE CONC 20 MG/ML SOLN
00555095302	DEXTROAMPHETAMINE 10 MG TAB
00574723412	PHENADOZ 25 MG SUPPOSITORY
00591578701	NORTRIPTYLINE 25MG CAP
00591578705	NORTRIPTYLINE HCL 25 MG CAP
00591578710	NORTRIPTYLINE HCL 25 MG CAP
00603459315	METHYLPREDNISOLONE 4MG D/P
00603459321	METHYLPREDNISOLONE 4 MG TABL
00603781874	NYSTATIN 100,000
00603781878	NYSTATIN 100,000 UNIT/GM CREAM
00713053612	PROMETHEGAN 12.5 MG SUPPOS
00781100801	TRIAMTERENE-HCTZ 75-50
00781100805	TRIAMTERENE-HCTZ 75-50
00781107101	METHAZOLAMIDE 50 MG TABLET
00781169501	ISOSORBIDE DN 20 MG TABLET
00781196160	CLARITHROMYCIN 250 MG TABLET
00781196260	CLARITHROMYCIN 500 MG TABLET
17478028310	GENTAK 3 MG/ML EYE DROPS
24208058060	GENTAMICIN OPTH SOLN
24208058064	GENTAMICIN 3 MG/ML EYE DROPS
24208067004	SULFACETAMIDE 10% EYE DROPS
29033001301	PIROXICAM 20 MG CAPSULE
29033001305	PIROXICAM 20 MG CAPSULE
43538051012	GENADUR NAIL LACQUER
45802002146	BETAMETHASONE DP 0.05% LOT
45802004811	NYSTATIN
45802004835	NYSTATIN OINTMENT
45802006405	TRIAMCINOLONE 0.1% CREAM
45802006435	TRIAMCINOLONE 0.1% CREAM
45802006436	TRIAMCINOLONE 0.1% CREAM
45802006535	TRIAMCINOLONE 0.5% CREAM
45802042235	DESONIDE 0.05% CREAM
45802042237	DESONIDE 0.05% CREAM
48102010101	METHAZOLAMIDE 50 MG TABLET
49884024601	CARISOPRODOL COMPOUND TAB
49884024605	CARISOPRODOL COMPOUND TAB

50111033301	METRONIDAZOLE 250 MG TABLET
50111033401	METRONIDAZOLE 500 MG TABLET
50111033402	METRONIDAZOLE 500 MG TABLET
50383026760	CLOBETASOL 0.05% CREAM
51672125301	FLUOCINONIDE 0.05% CREA
51672125302	FLUOCINONIDE 0.05% CREA
51672125303	FLUOCINONIDE 0.05% CREA
51672125304	FLUOCINONIDE 0.05% CREA
51672125903	CLOBETASOL 0.05% OINTMENT
51672126301	NYSTATIN-TRIAMCINOLONE CREAM
51672126302	NYSTATIN-TRIAMCINOLONE CREAM
51672126303	NYSTATIN-TRIAMCINOLONE CREAM
51672127201	NYSTATIN-TRIAMCINOLONE OINT
51672127202	NYSTATIN-TRIAMCINOLONE OINTM
51672127203	NYSTATIN-TRIAMCINOLONE OINTM
51672127304	FLUOCINONIDE 0.05% SOLUTION
51672128003	DESONIDE 0.05% CREAM
51672128202	TRIAMCINOLONE 0.1% CREAM
51672128901	NYSTATIN 100,000 UNIT/GM CRE
51672128902	NYSTATIN 100,000 UNIT/GM CRE
51672129201	HYDROCORTISONE VAL 0.2% OINT
51672129203	HYDROCORTISONE VAL 0.2% OINT
51672129206	HYDROCORTISONE VAL 0.2% OINT
51672404709	CARBAMAZEPINE 100 MG/5 ML SU
51672404801	CLOTRIMAZOLE-BETAMETHASONE CRM
51672404806	CLOTRIMAZOLE-BETAMETHASONE CRM
59746000103	METHYLPREDNISOLONE 4 MG DOSE
59762372802	CLINDAMYCIN PH 1% SOLUTION
60758018805	GENTAMICIN 3 MG/ML EYE DROPS
61314063136	NEOMYC-POLYM-DEXAMET EYE OINTMENT
61314063305	GENTAMICIN 3MG/ML EYE DROPS (3%)
61314064305	TOBRAMYCIN 0.3% EYE DROPS
61314070101	SULFACETAMIDE 10% EYE DROPS
64679094901	CLARITHROMYCIN 500 MG TABLET
67405011045	METRONIDAZOLE 0.75% CREAM
68382076214	CLARITHROMYCIN 500 MG TABLET
68462034737	OXYCODONE CONC 20 MG/ML SOLN

Changes in Drug Rebate Manufacturers

The following changes have been made in manufacturers with Drug Rebate Agreements. It is listed by manufacturer's code, which are the first five digits of the NDC.

Addition

The following labelers have entered into a Drug Rebate Agreement and have joined the rebate program effective on the dates indicated below:

<i>Code</i>	<i>Manufacturer</i>	<i>Date</i>
00562	Kedrion Melville, Inc.	01/18/2013
10511	Photocure, Inc.	01/07/2013
17772	Supernus Pharmaceuticals, Inc.	01/24/2013
24856	Thrombogenics Inc.	01/22/2013
43393	Genbiopro Inc.	01/22/2013
50102	Afaxys, Inc.	01/17/2013
52565	IGI Laboratories, Inc.	12/21/2012
52937	Amarin Pharmaceuticals, Ireland Ltd.	01/16/2013
68875	NPS Pharmaceuticals, Inc.	01/23/2013
76189	Ariad Pharmaceuticals, Inc.	01/07/2013
76331	W.H. Nutritionals, LLC.	01/07/2013
76431	Aegerion Pharmaceuticals, Inc.	01/22/2013

Voluntarily Terminated Labeler

The following labeler has requested voluntary termination effective April 1, 2013:

Onset Therapeutics

(Labeler 16781)

Checkwrite Schedule

January 03, 2013	February 12, 2013	February 12, 2013
January 10, 2013	February 20, 2013	February 20, 2013
January 17, 2013	February 28, 2013	February 28, 2013
January 24, 2013	March 05, 2013	March 05, 2013

Electronic Cut-Off Schedule

January 08, 2013	February 07, 2013	February 07, 2013
January 15, 2013	February 14, 2013	February 14, 2013
January 23, 2013	February 21, 2013	February 21, 2013
January 31, 2013	February 28, 2013	February 28, 2013

Electronic claims must be transmitted and completed by 5:00 p.m. on the cut-off date to be included in the next checkwrite. Any claims transmitted after 5:00 p.m. will be processed on the second checkwrite following the transmission date. POS Claims must be transmitted and completed by 12:00 midnight on the day of the electronic cut-off date to be included in the next checkwrite.

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