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North Carolina

Medicaid Pharmacy

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In This Issue...

Inaccurate Billing of Pharmacy Claims

New Prior Authorization Procedures for OxyContin and Oxycodone

SHIP “Train the Trainer” Sessions for Medicare Part D

Long Term Care Grace Period for PA Will Be Discontinued

Access to Over-the-Counter Medications Covered by NC Medicaid

Reporting Change of Address and Contact Information

North Carolina Health Choice Children Age 0-5 Moving to Medicaid

Coverage Information for the Excluded Drug Classes Under Medicare Part D

Synagis Billing Guidelines

Recipients Spenddown (Deductible) Liability

Federal Mac List Changes

Changes in Drug Rebate Manufacturers

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Inaccurate Billing of Pharmacy Claims

Providers of pharmacy services must price and bill all prescriptions for NC Medicaid recipients in accordance with NC Medicaid program policies. Overpayments and invalid payments due to provider error are subject to recoupment. Therefore, it is important that accurate pharmacy claims are submitted to prevent recoupments and delays in payment. The Division of Medical Assistance monitors pharmacy providers who repeatedly fail to submit pharmacy claims in agreement with NC Medicaid pharmacy policy. Repeated violators are subject to revocation of NC Medicaid Provider status.

New Prior Authorization Procedures for OxyContin and Oxycodone Extended-Release Products

Effective November 1, 2005, prior authorization requests for OxyContin and Oxycodone Extended-Release products will be accepted by fax only. The signature of the prescriber on the request form continues to be required as an important safeguard against fraud and abuse. Prior authorization criteria and request forms are available online at <http://www.ncmedicaidpbm.com>.

SHIIP “Train the Trainer” Sessions for Medicare Part D Prescription Drug Plan Benefit

The Seniors’ Health Insurance Information Program (SHIIP) in cooperation with the Area Agencies on Aging will be offering “Train the Trainer” sessions from October 24, 2005 through November 9, 2005 for interested professionals, medical providers, aging network representatives, SHIIP volunteers, and anyone else that will be assisting with Medicare Part D Prescription Drug Plan enrollments or answering questions about plan enrollment. Participants will learn about the general benefit regulations and about companies offering this program in North Carolina. A demonstration of the internet-based tools provided by Medicare will also be provided during the training sessions.

For detailed information on scheduled sessions go to www.ncshiip.com and link to “Medicare Part D: Train the Trainer.” Space is limited, so please reserve a place by consulting the list of training sites, times and contact information. Training materials will be made available. There is no cost for the sessions.

Long Term Care Grace Period for PA Will Be Discontinued

Effective November 8, 2005, the 34-day grace period for prescription drugs requiring prior authorization (PA) that was allowed for certain Medicaid recipients (recipients residing in long term care facilities, nursing facilities, adult care homes, and intermediate care facilities for persons with mental retardation) will be discontinued. This grace period will no longer be accounted for by the system.

Access to Over-the-Counter Medications Covered by NC Medicaid

Pharmacy providers who do not have access to over-the-counter (OTC) medications covered by the NC Medicaid program may request that a specific OTC medication in one of the covered therapeutic drug classes be placed on the list. NC Medicaid will only consider requests for OTC medications for which the manufacturer has a rebate agreement with the Centers for Medicare and Medicaid Services. Please contact Sharon Greeson with EDS at sharon.greeson@eds.com to make your requests. Please indicate the current AWP and package size of the product being requested.

Refer to General Clinical Coverage Policy #A2 on DMA's web site at <http://www.dhhs.state.nc.us/dma/mp/mpindex.htm> for a copy of the covered OTC drug list.

Reporting Change of Address and Contact Information

Pharmacy providers must report changes of ownership, address and telephone number to the Division of Medical Assistance (DMA) using the Provider Change Form found on DMA's web site at <http://www.dhhs.state.nc.us/dma/forms.html>.

North Carolina Health Choice Children Age 0-5 Moving to Medicaid

During the 2005 session, the General Assembly passed legislation which will move children ages birth through five from the North Carolina Health Choice (NCHC) program to the North Carolina Medicaid program. Effective January 1, 2006, children birth through five years of age with family income equal to or less than 200% of the federal poverty level will be eligible for Medicaid. Children birth through five years of age currently enrolled in North Carolina Health Choice will be moved to the Medicaid program effective January 1, 2006. The North Carolina Health Choice program will continue to cover children ages six through eighteen with family income between 100% to 200% of the federal poverty level.

Some of the children moving from NCHC to Medicaid will have NCHC cards with expiration dates after January 1, 2006. These cards will not be valid after December 31, 2005. A blue monthly Medicaid card will be issued for these children in late December for use beginning January 1, 2006.

For more information, refer to the November 2005 Special Bulletin, NORTH CAROLINA HEALTH CHOICE (NCHC) CHILDREN AGES BIRTH - 5 MOVE TO MEDICAID on DMA's web site at <http://www.dhhs.state.nc.us/dma/bulletin.htm>.

Medicare Part D Web Page

The Division of Medical Assistance has developed a new web page for the information about the Medicare Part D program. Information for providers, counties, and Medicaid recipients is available at this site. The address is: http://www.dhhs.state.nc.us/dma/medicare_d/partd.htm.

Coverage Information for the Excluded Drug Classes Under Medicare Part D for the North Carolina Medicaid Pharmacy Program

The following criteria will be used in determining the drugs that will be covered by Medicaid once Medicare Part D is implemented on January 1, 2006:

There will be no coverage for the following excluded drug classes:

1. Agents Used for Anorexia, Weight Loss, Weight Gain
2. Agents Used to Promote Fertility
3. Agents Used for Cosmetic Purposes or Hair Growth
4. Covered Outpatient Drugs which the Manufacturer Seeks to Require as a Condition of Sale that Associated Tests or Monitoring Services be Purchased Exclusively from the Manufacturer or its Designee
5. Prescription-Only Agents Used for Smoking Cessation

There will be coverage* for the following excluded drug classes if there is a rebate agreement with CMS and if the drug is a legend drug:

1. Agents Used for the Symptomatic Relief of Cough and Colds
2. Prescription Vitamins and Mineral Products, Except Prenatal Vitamins and Fluoride
3. Barbiturates
4. Benzodiazepines

There will be coverage* for select drugs as designated under NC DMA General Medical Policy A2 for the following excluded drug class:

1. Nonprescription drugs including the OTC smoking cessation products
(See General Medical Policy A2)

*All claims should be submitted to the PDP first to ensure that they are not covering these products. If denied, the claim can then be submitted to Medicaid with an '03' (other coverage exists-this claim not covered) in the other coverage code field.

Synagis® Billing Guidelines

This is a reminder that when a recipient requires 150mg of Synagis®, the claim should be billed as a compound on POS. This should be considered as one claim and only one dispensing fee should be paid. It is considered an overpayment by Program Integrity if the claim is submitted as two separate prescriptions.

Recipients Spenddown (Deductible) Liability

Recipients who must meet spenddown (deductible) liability to qualify for Medicaid must be held responsible for this payment. Medicaid policy states that the spenddown is:

Charges incurred (paid or unpaid) by a current budget unit member during the certification period for which eligibility is being determined, AND is the responsibility of a current budget member, AND is not subject to payment by insurance or any other third party (i.e. Medicaid).

Expenses used to meet spenddown liability are not reimbursable under Medicaid.

Federal Mac List Changes

Effective November 12, 2005, the following changes will be made to the Medicaid Drug Federal Upper Limit:

FUL Price Decreases

<u>Generic Name</u>	<u>FUL Price</u>
Cilostazol 100 mg, Tablet, Oral, 60	\$1.0388 B
Terazosin Hydrochloride 1 mg, Capsule, Oral, 100	\$0.6000 B
2 mg, Capsule, Oral, 100	\$0.6000 B
5 mg, Capsule, Oral, 100	\$0.6000 B
10 mg, Capsule, Oral, 100	\$0.6000 B

FUL Additions

<u>Generic Name</u>	<u>FUL Price</u>
Brimonidine Tartrate 0.2%, Solution/Drops, Ophthalmic, 5 ml	\$4.5000 B
Cefuroxime Axetil 250 mg, Tablet, Oral, 20	\$2.5425 B
500 mg, Tablet, Oral, 20	\$4.7475 B
Clindamycin Phosphate EQ 1%, Base, Lotion, Topical, 60 ml	\$0.7988 B
Desipramine Hydrochloride 25 mg, Tablet, Oral, 100	\$0.0576 B
50 mg, Tablet, Oral, 100	\$0.0828 B
75 mg, Tablet, Oral, 100	\$1.0304 B
100 mg, Tablet, Oral, 100	\$1.3539 B
150 mg, Tablet, Oral, 50	\$1.9617 B

FUL Additions (cont.)

<u>Generic Name</u>	<u>FUL Price</u>
Folic Acid 1 mg, Tablet, Oral, 100	\$0.2858 B
Gentamicin Sulfate EQ 0.1% Base, Cream, Topical, 15 gm	\$0.2000 B
EQ 0.1% Base, Ointment, Topical, 15 gm	\$0.2000 B
Metronidazole 0.75%, Cream, Topical, 45 gm	\$1.6263 B
Mometasone Furoate 0.1%, Ointment, Topical, 45 gm	\$0.9333 B
Nystatin 100,000 Units/Gram, Powder, Topical, 15 gm	\$1.7480 B
Oxybutynin Chloride 5 mg/5 ml, Syrup, Oral, 473 ml	\$0.0825 R
Phenytoin 125 mg/5 ml, Suspension, Oral, 237 ml	\$0.1521 B
Potassium Chloride 10 MEQ, Tablet, Extended Release, Oral, 100	\$0.2538 B
20 MEQ, Tablet, Extended Release, Oral, 100	\$0.4625 B
Pyridostigmine Bromide 60 mg, Tablet, Oral, 100	\$0.5832 B
Rifampin 300 mg, Capsule, Oral, 100	\$1.8860 B
Torsemide 100 mg, Tablet, Oral, 100	\$2.9175 B
Trimethobenzamide Hydrochloride 300 mg, Capsule, Oral, 100	\$1.0193 B

Changes in Drug Rebate Manufacturers

Additions

The following labeler has entered into a Drug Rebate Agreement and joined the rebate program effective on the date indicated below:

<i>Code</i>	<i>Manufacturer</i>	<i>Date</i>
10454	Solstice Neuroscience, Inc	10/18/2005
12162	Monte Sano Pharmaceuticals, Inc	10/21/2005
67108	Baxter Healthcare Corporation	09/29/2005
68734	Critical Therapeutics (CRTX)	10/24/2005

Checkwrite Schedule

October 11, 2005	November 08, 2005	December 06, 2005
October 18, 2005	November 15, 2005	December 13, 2005
October 27, 2005	November 23, 2005	December 22, 2005

Electronic Cut-Off Schedule

October 07, 2005	November 04, 2005	December 02, 2005
October 14, 2005	November 11, 2005	December 09, 2005
October 21, 2005	November 18, 2005	December 16, 2005

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 prior to the electronic cut-off date to be included in the next checkwrite.



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