



An Information Service of the Division of Medical Assistance

**North Carolina
Medicaid Pharmacy
Newsletter**

Number 177

December 2009

In This Issue...

Clarification on Prior Authorization Requirements for Fibrates and Lovaza
New Prior Authorization Requirements for Brand-Name Anticonvulsants
New Prior Authorization Requirements for Topical Anti-inflammatory Medications
Additional Information on Prodigy Diabetic Supplies
Copayments and Copayment Exemptions
**Corrected 1099 Requests for Tax Years 2007, 2008, and 2009: Action Required by
March 1, 2010**
Who's Who in North Carolina Medicaid
Changes in Drug Rebate Manufacturers

Clarification on Prior Authorization Requirements for Fibrates and Lovaza

Effective with date of service November 17, 2009, the N.C. Medicaid Outpatient Pharmacy Program began requiring prior authorization (PA) for brand name fibrates and Lovaza. This PA program includes step therapy.

- **Step 1**
Coverage for generic gemfibrozil does not require PA.
- **Step 2**
Coverage for generic fenofibrate requires documented failure with at least a 60-day trial of generic gemfibrozil within the last 12 months.
- **Step 3**
Coverage for all other fibrates requires a documented failure with at least a 60-day trial of generic gemfibrozil and at least a 60-day trial of generic fenofibrate within the last 12 months.

Exemptions from the PA requirements include

- patients with a documented contraindication to, allergy to, intolerable side effect from, or drug interaction with generic gemfibrozil or generic fenofibrate
- patients who require Trilipix because they are on a statin medication
- patients who require Lovaza because they have high triglyceride levels (> 500mg/dl)

Prescribers can request PA by contacting ACS at 866-246-8505 (telephone) or 866-246-8507 (fax). The criteria and PA request form for these medications are available on the N.C. Medicaid Enhanced Pharmacy Program website at <http://www.ncmedicaidpbm.com>. Medications that require PA include generic fenofibrates (see Step 2), Antara, Fenoglide, Lipofen, Lofibra, Lopid, Tricor, Triglide, Trilipix, and Lovaza.

New Prior Authorization Requirements for Brand-Name Anticonvulsants

Effective with date of service December 8, 2009, the N.C. Medicaid Outpatient Pharmacy Program began requiring prior authorization (PA) for certain brand-name anticonvulsants. Prescribers can request PA by contacting ACS at 866-246-8505 (telephone) or 866-246-8507 (fax). The criteria and PA request form for these medications are available on the N.C. Medicaid Enhanced Pharmacy Program website at <http://www.ncmedicaidpbm.com>. Medications that now require PA include Lamictal, Lamictal ODT, Lamictal XR, Lyrica, Topamax, and Trileptal.

New Prior Authorization Requirements for Topical Anti-inflammatory Medications

Effective with date of service December 8, 2009, the N.C. Medicaid Outpatient Pharmacy Program began requiring prior authorization (PA) for certain topical anti-inflammatory medications. Prescribers can request PA by contacting ACS at 866-246-8505 (telephone) or 866-246-8507 (fax). The criteria and PA request form for these medications are available on the N.C. Medicaid Enhanced Pharmacy Program website at <http://www.ncmedicaidpbm.com>. Medications that now require PA include Elidel, Locoid, and Protopic.

Copayments and Copayment Exemptions

Providers are reminded that the following copayments apply to all Medicaid recipients except those specifically exempted by law from copayments.

Service	Copayment
Chiropractic	\$2.00 per visit
Dental	\$3.00 per visit
Prescription drugs, insulin, and OTCs	\$3.00 per prescription
Ophthalmologist	\$3.00 per visit
Optical supplies and services	\$2.00 per visit
Optometrist	\$3.00 per visit
Outpatient	\$3.00 per visit
Physician	\$3.00 per visit
Podiatrist	\$3.00 per visit

Providers may not charge copayments for the following services:

- Ambulance services
- Auditory implant external parts services
- Dental services provided in a health department
- Diagnostic X-ray
- Durable medical equipment
- Family planning services
- Federally Qualified Health Center (FQHC) core services
- Health Check (EPSDT)--related services
- Hearing aid services
- HIV case management
- Home health services
- Home infusion therapy
- Hospice services
- Hospital emergency department services, including physician services delivered in the emergency department
- Hospital inpatient services (inpatient physician services may be charged a copay)
- Laboratory services performed in the hospital
- Non-hospital dialysis facility services
- Personal care services (PCS) or PCS-Plus
- Private duty nursing services
- Rural Health Clinic (RHC) core services
- Services covered by both Medicare and Medicaid
- Services in State-owned psychiatric hospitals
- Services provided to Community Alternatives Program participants
- Services provided to residents of nursing facilities, ICF/MRs, and psychiatric hospitals
- Services related to pregnancy
- Services to individuals under the age of 21

Additional information can be found in the *Basic Medicaid Billing Guide* at <http://www.ncdhhs.gov/dma/basicmed/>.

Additional Information on Prodigy Diabetic Supplies

The following additional information is provided regarding the Prodigy Diabetic Supply program:

Meters

- A CMN/PA is required on the voice meter and can only be provided through a DME provider or a Pharmacy/DME provider. The approved CMN/PA must be kept on file for a period of 5 years as stated in the DMA DME Clinical Coverage Policy No: 5A, Section 7. With the completed CMN/PA for the voice meter on file, the provider can pursue reimbursement for the meter.
- Providers may contact Prodigy directly to replace a broken meter. All meters carry a lifetime replacement warranty.
- For a lost or stolen meter or a meter destroyed by fire, providers may contact DMA Clinical Policy at 919-855-4310 for verification requirements and approval for a replacement meter.
- For pediatric patients whose doctors require two meters for optimum patient care, providers should include a copy of the patient's prescription with the rebate form submitted to Prodigy.

Insulin Pump Users

There is an **override** process available for recipients who cannot use Prodigy products for clinical reasons. In these instances, the provider must be a DME provider or a pharmacy/DME provider. The following protocol in Clinical Policy 5A, Section 5.5 should be followed: fax the denial to DMA at the designated diabetic supply override fax number @ 919-715-3166 along with the required medical necessity forms. Consideration will be given to the request and a written decision will be returned to the provider.

No Preferred Providers for Diabetic Supplies

DMA would like to clarify that there are no preferred providers for diabetic supplies. N.C. Medicaid recipients may go to any N.C. Medicaid DME or pharmacy provider to obtain Prodigy diabetic supplies.

Corrected 1099 Requests for Tax Years 2007, 2008, and 2009: Action Required by March 1, 2010

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, 2010**. 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 23, 2009.

If the tax name or tax identification number on the annual 1099 MISC you receive is **incorrect**, a correction to the 1099 MISC must be requested. This ensures that accurate tax information is on file for each provider number with Medicaid and sent to the IRS annually. When the IRS receives incorrect information on your 1099 MISC, it may require backup withholding in the amount of **28 percent of future Medicaid payments**. The IRS could require HP Enterprise Services to initiate and continue this withholding to obtain correct tax data. Please 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, 2010** and must be accompanied by the following documentation:

- Cover page from you outlining what information 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 <http://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.
Raleigh, NC 27607-3073

A copy of the corrected 1099 MISC form(s), along with a 2nd copy of the incorrect 1099 MISC form(s) with the “Corrected” box selected, will be mailed to you for your 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.

Who's Who in North Carolina Medicaid

CSC is the agent contracted by DMA to perform Medicaid provider enrollment, verification, and credentialing (EVC) activities previously performed by DMA Provider Services.

- **EVC Call Center, 1-866-844-1113**
- **Fax Number, 1-866-844-1382**
- **E-mail Address, NCMedicaid@csc.com**
- **CSC NC Tracks Website, <http://www.nctracks.nc.gov/>**

The **Carolinas Center for Medical Excellence (CCME)** has been contracted by DMA to review prior authorizations and to conduct post-payment validation review for outpatient specialized therapies (OST) and to be the independent assessment entity (IAE) to conduct personal care service (PCS) assessments, which include new referrals, continuation of service reviews, and change of status reviews.

- **CCME, 1-800-228-3365**
- **CCME OST Prior Authorization Website, <http://www.medicaidprograms.org/nc/therapyservices/>**
- **PACT (Physician Authorization for Certification and Treatment) Review Website for PCS prior authorization information and forms <http://www.qireport.net/>**
- **PACT PCS Review Call Center 1-800-228-3365**

MedSolutions has been contracted by DMA to review prior authorizations for certain radiology procedures including CT, MR, PET scans, and ultrasounds.

- **MedSolutions, 1-888-693-3211**
- **Fax Number, 1-888-693-3210**
- **MedSolutions Website, <http://www.medsolutionsonline.com/>**

Prodigy Diabetes Care, LLC, has been designated by DMA to be N.C. Medicaid's preferred manufacturer for glucose meters, diabetic test strips, control solutions, lancets, lancing devices, and syringes.

- **Prodigy Diabetic Care, LLC, 1-866-540-4816**

ValueOptions, Inc. has been contracted by DMA to provide utilization review of acute inpatient/substance abuse treatment hospital care, psychiatric residential treatment facilities (PRTFs), Levels II through IV residential treatment facilities, outpatient psychiatric, enhanced benefits, and Criterion 5 services. ValueOptions reviews and approves the requests based on medical necessity according to established criteria.

- **ValueOptions, Inc., 1-888-510-1150**
- **Fax Numbers**
 - ◆ **For mental health/substance abuse services, 919-461-0599**
 - ◆ **For developmental disability services, 919-461-0669**
- **ValueOptions Website, <http://www.valueoptions.com/>**

ACS State Healthcare has been contracted by DMA to manage the prior approval process for certain drugs prescribed to N.C. Medicaid recipients.

- ACS Clinical Call Center, 1-866-246-8505
- Fax Number, 1-866-246-8507
- ACS Enhanced Pharmacy Program Website, <http://www.ncmedicaidpbm.com/>

HP Enterprise Services (formerly EDS) is the fiscal agent contracted by DMA to process claims and prior authorization requests for certain medical and surgical procedures according to DMA's policies and guidelines for enrolled Medicaid providers. In addition to claims processing and prior authorization requests, HP Enterprise Services also processes Preadmission Screening and Resident Reviews (PASRRs) for individuals before admission to North Carolina's nursing facilities.

- HP Enterprise Services, 1-800-688-6696 or 919-851-8888
- NC PASRR Website, <http://www.ncmust.com>

Changes in Drug Rebate Manufacturers

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

Addition

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

<i>Code</i>	<i>Manufacturer</i>	<i>Date</i>
42858	Rhodes Pharmaceuticals, L.P	12/02/2009
42799	Edenbridge Pharmaceuticals LLC	12/16/2009

Reinstated Labeler

<i>Code</i>	<i>Manufacturer</i>	<i>Date</i>
66860	Cura Pharmaceutical Co. Inc	12/17/2009

Voluntarily Terminated Labeler

The following labeler has requested voluntary termination effective January 1, 2010:

Aceto Pharma Corporation (Labeler 25356)

Checkwrite Schedule

December 08, 2009	January 12, 2010
December 15, 2009	January 20, 2010
December 23, 2009	January 28, 2010
	February 02, 2010

Electronic Cut-Off Schedule

December 03, 2009	January 07, 2010
December 10, 2009	January 14, 2010
December 17, 2009	January 21, 2010
	January 28, 2010

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.

Lisa Weeks, PharmD, R.Ph
Chief, Pharmacy and Ancillary Services
Division of Medical Assistance
Department of Health and Human Services

Craig L. Gray, MD., MBA., JD
Director
Division of Medical Assistance
Department of Health and Human Services

Ann Slade, R.Ph.
Chief, Pharmacy Review Section
Division of Medical Assistance
Department of Health and Human Services

Sharon H. Greeson, R.Ph.
Pharmacy Director
HP Enterprise Services

Melissa Robinson
Executive Director
HP Enterprise Services
