



An Information Service of the Division of Medical Assistance

**North Carolina
Medicaid Pharmacy
Newsletter**

Number 213

December 2012

In This Issue...

Recipient Opt-In Program and Monthly Prescription Limits

Hemophilia Specialty Pharmacy Program

Prescribers Not Enrolled in the Medicaid Program

Pharmacy Dispensing Fee Changes

Benzoyl Peroxide Products

Benzodiazepines and Barbiturates No Longer Covered for Dual Eligibles

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

Enrollment and Application Fees

Clinical Coverage Policies

Updated Federal Upper Limit Reimbursement List

2013 Checkwrite Schedule

Changes in Drug Rebate Manufacturers

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.

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>.

Prescribers Not Enrolled in the Medicaid Program

The Affordable Care Act established a new rule that prohibits Medicaid programs from paying for prescriptions written by prescribers who are not enrolled in the Medicaid program. On January 1st, 2013, pharmacy providers will begin to receive a message at point-of-sale for prescriptions written by prescribers not enrolled in the Medicaid program. The actual message will say "***Prescriber not enrolled in Medicaid - claims will deny starting on April 1, 2013***". This will hold true for originals and refills, so if a prescriber has an un-enrolled status anytime during the life of the prescription, then the claim will deny after April 1, 2013.

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.

Benzoyl Peroxide Products

It has come to the attention of the Division of Medical Assistance that benzoyl peroxide products that are considered preferred on the Medicaid and Health Choice Preferred Drug List (PDL) are now over-the-counter and that the prescription products may no longer be manufactured. North Carolina Medicaid does not cover over-the-counter benzoyl peroxide products. There continue to be preferred products in the topical acne drug class on the PDL. Prescribers may continue to prescribe Azelex®, Benzaclin®, clindamycin phosphate gel, clindamycin phosphate lotion, clindamycin phosphate solution, clindamycin phosphate swab, Differin®, Retin-A Micro® or tretinoin (generic of Retin-A®) for Medicaid and Health Choice beneficiaries without having to obtain a prior authorization. A prior authorization would continue to be required for topical acne agents that are non-preferred on the PDL.

Benzodiazepines and Barbiturates No Longer Covered for Dual Eligibles

The Medicare Improvement for Patients and Providers Act (MIPPA) Section 175 requires Medicare Part D prescription drug plans to cover benzodiazepines for any condition and barbiturates used for seizures, cancer, or chronic mental health conditions. Because Medicare will begin coverage for these drugs effective January 1, 2013, N.C. Medicaid will no longer provide coverage for these medications for dual eligibles except for barbiturates when used for conditions not listed above.

Pharmacies should submit these claims to the beneficiary's Medicare Part D prescription drug plan beginning on January 1, 2013. Providers must follow the manual claims submission process to submit barbiturate drug claims to Medicaid for diagnoses not listed.

If a pharmacy receives a not covered message from a Medicare Part D Plan for a barbiturate due to a diagnosis not indicated above, the pharmacy may bill Medicaid for the claim via a paper claim. The claim can be found at <http://www.ncdhhs.gov/dma/forms/pharmclaim.pdf>. Please include a copy of the NCPDP denial with your paper claim.

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

Effective January 1, 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 Medicaid recipient) by submitting the following information at the pharmacy terminal:

BIN#: 015251
PCN#: PRX2000
Group#: AC01
ID#: AC018641687

For assistance in filing this claim, please call the OptumRx Helpdesk at 1-800-510-4836.

Enrollment and Application Fees Affordable Care Act (ACA) Application Fee

As of October 1, 2012, the N.C. Division of Medical Assistance (DMA) began collecting the federal application fee required under Section 1866(j)(2)(C)(i)(1) of the Affordable Care Act (ACA) from certain providers.

The Centers for Medicare & Medicaid Services (CMS) sets the application fee, which may be adjusted annually. The application fee for enrollment in 2012 is set at \$523. The purpose of the fee is to cover the cost of screening and other program integrity efforts. The application fee will be collected per site location prior to executing a provider agreement from a prospective or re-enrolling provider.

This requirement does not apply to the following:

- (1) Individual physicians or non-physician practitioners.
- (2) (i) Providers who are enrolled in either of the following:
 - (A) Title XVII of the Act.
 - (B) Another State's Medicaid or CHIP plan.
- (ii) Providers who have paid the applicable application fee to:
 - (A) A Medicare contractor; or
 - (B) Another State.

Providers who are required to pay this fee will be sent an invoice via mail. States must collect the applicable fee for any newly enrolling, reenrolling or reactivating institutional provider.

North Carolina Enrollment Fee

Session Law 2011-145 Section 10.31(f) (3) mandated that DMA collect a \$100 enrollment fee from providers upon initial enrollment with the Medicaid/Health Choice programs and at three-year intervals when the provider is re-credentialed.

Initial enrollment is defined as an in-state or border-area provider who has never enrolled to participate in the N.C. Medicaid/Health Choice programs. The provider's tax identification number is used to determine if the provider is currently enrolled or was previously enrolled. Applicants should not submit payment with their application. Upon receipt of the enrollment application, an invoice will be mailed to the applicant if either fee is owed. An invoice will only be issued if the tax identification number in the enrollment application does not identify the applicant as a currently enrolled Medicaid and N.C. Health Choice provider.

Clinical Coverage Policies

The following new or amended combined N.C. Medicaid and N.C. Health Choice (NCHC) clinical coverage policies are available on the N.C. Division of Medical Assistance (DMA) website at www.ncdhhs.gov/dma/mp/:

- A3, Prior Authorization for Outpatient Pharmacy Point-of-Sale Medications (Date of Termination 9/30/12)

These policies supersede previously published policies and procedures. Providers may contact HP Enterprise Services (HPES) at 1-800-688-6696 or 919-851-8888 with billing questions.

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 *DAWI* 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	FLUCINONIDE 0.05% SOLUTION
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
00378135501	TRIAMTERENE-HCTZ 75-50
00378135505	TRIAMTERENE-HCTZ 75-50
00378537501	DOXEPIN 75 MG CAPSULE
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
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

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
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
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

2013 Checkwrite Schedule

The following table lists the cut-off dates, checkwrite dates, and the electronic deposit dates for January 2013 through June 2013. The schedule for the remaining months of 2013 will be published at a later date.

Checkwrite Cycle Cutoff Date	Checkwrite Date	EFT Effective Date
1/3/2013	1/8/2013	1/9/2013
1/10/2013	1/15/2013	1/16/2013
1/17/2013	1/23/2013	1/24/2013
1/24/2013	1/31/2013	2/1/2013
2/7/2013	2/12/2013	2/13/2013
2/14/2013	2/20/2013	2/21/2013
2/21/2013	2/28/2013	3/1/2013
2/28/2013	3/5/2013	3/6/2013
3/7/2013	3/12/2013	3/13/2013
3/14/2013	3/19/2013	3/20/2013
3/21/2013	3/28/2013	3/29/2013
4/4/2013	4/9/2013	4/10/2013

4/11/2013	4/16/2013	4/17/2013
4/18/2013	4/25/2013	4/26/2013
5/2/2013	5/7/2013	5/8/2013
5/9/2013	5/14/2013	5/15/2013
5/16/2013	5/21/2013	5/22/2013
5/23/2013	5/30/2013	5/31/2013
6/6/2013	6/11/2013	6/12/2013
6/13/2013	6/18/2013	6/19/2013
6/20/2013	6/27/2013	6/28/2013

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>
65628	Cutispharma, Inc	12/19/2012

Reinstated Labeler

<i>Code</i>	<i>Manufacturer</i>	<i>Date</i>
40076	Prestium Pharma, Inc	11/29/2012

Voluntarily Terminated Labeler

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

ESP Pharma, Inc	(Labeler 67286)
-----------------	-----------------

Checkwrite Schedule

December 04, 2012	January 03, 2013	February 12, 2013
December 11, 2012	January 10, 2013	February 20, 2013
December 20, 2012	January 17, 2013	February 28, 2013
	January 24, 2013	March 05, 2013

Electronic Cut-Off Schedule

November 29, 2012	January 08, 2013	February 07, 2013
December 06, 2012	January 15, 2013	February 14, 2013
December 13, 2012	January 23, 2013	February 21, 2013
	January 31, 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.

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

Jason Swartz, RPh, MBA
Outpatient Pharmacy Program Manager
Division of Medical Assistance
NC Department of Health and Human Services

Michael Watson
Director
Division of Medical Assistance
NC Department of Health and Human Services

Debbie Pittard
Acting Assistant Director for Program Integrity
Division of Medical Assistance
NC Department of Health and Human Services

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

Melissa Robinson
Executive Director
HP Enterprise Services
