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MEDICAID MEMO

TO: All Pharmacy providers participating in the Virginia Medical Assistance Program and FAMIS

FROM: Patrick W. Finnerty, Director
Department of Medical Assistance Services

MEMO Special
DATE 1/23/2004

SUBJECT: Prospective Drug Review Program Changes for Pharmacy Claims, and other Pharmacy Program Changes

The purpose of this memorandum is to notify you that the Department of Medical Assistance Services (DMAS) is changing the way pharmacy claims are processed and reviewed in regards to the Prospective Drug Utilization Review (ProDUR) Program. This memorandum also includes information about the Preferred Drug List (PDL) 72-Hour Supply Policy, Clozaril Monitoring Fee Claims, a change in Unit Dose Pricing Methodology, and termination of edits for Anti-Ulcer Medications.

PRODUR PROGRAM

DMAS has had a ProDUR Program since 1993. The ProDUR Program involves a review of the prescription medication order and the patient's drug therapy history prior to a prescription order being filled. ProDUR is used by DMAS to help ensure the health and safety of the patient. The review provides an examination of the patient's drug therapy history to determine if there are potential drug therapy problems with a new prescription order, including, but not limited to, Therapeutic Duplication (TD), Early Refill (ER), Drug-Disease Contraindications (MC), Drug-Drug Interactions (DD), and Drug-Pregnancy Interactions (PG).

The Virginia Medical Assistance Program maintains a profile of each patient's medication history, consisting of all Medicaid claims submitted by any pharmacy provider. The Medicaid system screens for potential problems against pharmacy and medical information and returns an edit (alert), where appropriate, via the on-line Point-of-Service (POS) claims adjudication system. When the pharmacist encounters a Medicaid ProDUR edit, the POS message will describe the potential problem or create a denial.

Effective February 16, 2004, the edits (alert) for Drug-Drug Interactions (DD), Drug-Disease Interactions (MC), and Drug-Pregnancy Interactions (PG) will receive a message at POS, requiring the pharmacist to enter an intervention and outcome code to override the denial. Pharmacists must use their professional judgment in determining when to use the override codes. The edits for Early Refills (ER) and Therapeutic Duplication (TD) that deny will continue to require the pharmacist to enter an intervention code to override the denial. Please note that the TD edit for the Cardiac Glycoside drug class will no longer produce a denial, but will now only produce a message, and the TD edit for the Narcotic drug class has been enhanced to produce a denial (requiring an intervention code to override the denial).

The following table outlines the changes to the claims disposition for these edits and lists the appropriate intervention and outcome codes.

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Effective February 2004
DMAS ProDUR Codes

Pro-DUR Reason for Service (Conflict Code) NCPDP Field 439	**Current Claims Disposition**	**New Claims Disposition**	**Professional Service (Intervention Code)** NCPDP Field 440 942)	**Pro-DUR Result of Service (Outcome Code)** NCPDP Field 441
DD Drug-Drug	Message only	**Provider override**	AS = Patient assessment CC = Coordination of care DE = Dosing evaluation/ Determination MØ = Prescriber consulted MR = Medication Review PØ = Patient Consulted	1A 1B 1C 1D 1E 1F 1G 1H 1J 1K 2A 2B 3A 3B 3C 3D 3E 3F 3G 3H 3J 3K 3M 3N
MC Drug-Disease	Message only	**Provider override**	AS = Patient assessment CC = Coordination of care DE = Dosing evaluation/ Determination MØ = Prescriber consulted MR = Medication Review PØ = Patient Consulted	1A 1B 1C 1D 1E 1F 1G 1H 1J 1K 2A 2B 3A 3B 3C 3D 3E 3F 3G 3H 3J 3K 3M 3N
PG Pregnancy	Message only	**Provider override**	AS = Patient assessment CC = Coordination of care DE = Dosing evaluation/ Determination MØ = Prescriber consulted MR = Medication Review PØ = Patient Consulted	1A 1B 1C 1D 1E 1F 1G 1H 1J 1K 2A 2B 3A 3B 3C 3D 3E 3F 3G 3H 3J 3K 3M 3N
TD Therapeutic Duplication	Deny for 11drug classes – provider override allowed	**Provider override – 11 Drug classes*** Anti-Ulcer Agents ACE Inhibitors Angiotensin II Receptor Blockers Antidepressants Benzodiazepines NSAIDs (includes salicylates and COX-2s) Calcium Channel Blockers Thiazide Diuretics Loop Diuretics Potassium-Sparing Diuretics **Narcotics** **Cardiac Glycosides-REMOVED** ***Note: some of these classes are included in the PDL**	AS = Patient assessment CC = Coordination of care DE = Dosing evaluation/ Determination MØ = Prescriber consulted MR = Medication Review PØ = Patient Consulted	1A 1B 1C 1D 1E 1F 1G 1H 1J 1K 2A 2B 3A 3B 3C 3D 3E 3F 3G 3H 3J 3K 3M 3N

Outcome Code Definitions:

1A	Filled as is, False Positive	**3A**	Recommendation Accepted
1B	Filled Prescription As Is	**3B**	Recommendation Not Accepted
1C	Filled, with Different Dose	**3C**	Discontinued Drug
1D	Filled, with Different Directions	**3D**	Regimen Changed
1E	Filled, with Different Drug	**3E**	Therapy Changed
1F	Filled, with Different Quantity	**3F**	Therapy Changed- cost increase
1G	Filled, With Prescriber Approval	**3G**	Drug Therapy Unchanged
1H	Brand to Generic Change	**3H**	Follow-Up/Report
1J	Rx to OTC Change	**3J**	Patient Referral
1K	Filled with Different Dosage Form	**3K**	Instructions Understood
2A	Prescription not Filled	**3M**	Compliance Aid Provided
2B	Not Filled, Directions Clarified	**3N**	Medication Administered

Preferred Drug List (PDL) – 72 Hour Supply Processing Policy

The PDL Program provides for a process where the pharmacist may dispense a 72-Hour Supply of the prescribed medication (of a non-preferred drug) if the physician is not available to consult with the pharmacist, including after hours, weekends, holidays, and the pharmacist, in his professional judgment consistent with current standards of practice, feels that the patient's health would be compromised without the benefit of the drug. The 72-Hour Supply will require a phone call by the pharmacy provider to **First Health Services Corporation (FHSC) at 800-932-6648** for processing.

The patient will be charged a co-payment for this 72-Hour Supply (partial fill). However, a co-payment shall not be charged for the completion fill. The prescription must be processed as a "partial" and "completion" fill.

For unit of use drugs (i.e., inhalers, drops, etc.), the entire unit should be dispensed and appropriate action taken to prevent similar situations in the future.

Preferred Drug List (PDL)-72-Hour Supply Dispensing Fee Process

Pharmacy providers are entitled to an additional $3.75 dispensing fee when filling the completion of a 72-hour supply prescription (for a non-preferred drug). To receive the additional dispensing fee, the pharmacist must submit the 72-hour supply as a partial fill, and when submitting the claim for the completion fill, enter **"03"** in the **"Level of Service"** (data element 418-DI) field. The additional $3.75 dispensing fee is **ONLY** available (***one time per prescription***) to the pharmacist after dispensing the completion fill of a non-preferred drug when a partial (72-Hour Supply) prescription was previously filled because the prescriber was unavailable for prior authorization.

Any questions regarding the PDL process can be referred to First Health Services (FHSC) Corporation at 800-932-6648.

CLOZARIL MONITORING FEE PROCESSING

DMAS reimburses pharmacists for a monitoring fee for Clozaril. Effective December 1, 2003, the Clozaril monitoring fee can now be submitted via POS by adding a "**PP**" in the **Conflict** field and a "**PM**" in the **Intervention** field, to the Clozaril claim submitted. The POS system will then pay the ingredient cost (subject to the reimbursement rate) plus the dispensing fee (currently $3.75) plus the monitoring fee (currently $3.75). The monitoring fee will not pay on its own submission; it must be submitted with the Clozaril dispensing claim. The system will pay the lower of the Usual and Customary or the amount submitted. Any questions regarding the Clozaril monitoring fee process may be sent via e-mail to DMAS at RxHelp@dmas.virginia.gov. Please note "Clozaril monitoring fee" in the subject line.

NEW PAYMENT METHODOLOGY FOR SERVICE PROVIDERS OF PATIENTS RESIDING IN NURSING FACILITIES

The unit dose payment methodology has changed. The reimbursement of the unit dose add-on fee and the allowance for the cost of unit dose packaging ($0.01 and $0.0157 respectively) will be replaced with the new payment methodology of $5.00, per patient, per month starting with **dates of service on and after January 1, 2004.** No action is needed by Nursing Facility providers. Starting with their February Remittance Advice (835), Nursing Facility providers will see a line item for provider level adjustment (one transaction) that will represent the additional reimbursement. This transaction will represent the fee for claims processed for the previous month. Any questions regarding the unit dose payment methodology may be sent via e-mail to DMAS at RxHelp@dmas.virginia.gov. Please note "Unit Dose Payment Methodology" in the subject line.

TERMINATION OF EDITS FOR ANTI-ULCER MEDICATIONS

Effective January 18, 2004, the current acute dosing edits for anti-ulcer medications will terminate due to the implementation of the PDL Program. The system will no longer recognize the following prior authorization codes for claim payment consideration:

REASON	PA+CODE
Gastroesophageal Reflux Disease (GERD)	5 55555555521
Pathological Hypersecretory Syndrome	5 55555555522
Zollinger-Ellison Syndrome	5 55555555523
Unhealed Ulcer (gastric, duodenal, peptic)	5 55555555524
History of Upper GI Bleeding	5 55555555525
Erosive Esophagitis	5 55555555526

ELIGIBILITY AND CLAIMS STATUS INFORMATION

DMAS offers a web-based Internet option to access information regarding Medicaid eligibility, claims status, check status, service limits, prior authorization, and pharmacy prescriber identification information. The website address to use to enroll for access to this system is http://virginia.fhsc.com. The MediCall voice response system will provide the same information and can be accessed by calling 800-884-9730 or 800-772-9996. Both options are available at no cost to the provider.

COPIES OF MANUALS

DMAS publishes electronic and printable copies of its provider manuals and Medicaid Memoranda on the DMAS website at www.dmas.virgina.gov (***please note the new DMAS website address***). Refer to the Provider Column to find Medicaid and SLH provider manuals or click on "Medicaid Memos to Providers" to view Medicaid Memoranda. The Internet is the most efficient means to receive and review current provider information. If you do not have access to the Internet, or would like a paper copy of a manual, you can order these by contacting

Commonwealth-Martin at 804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates requested.

"HELPLINE"

The "HELPLINE" is available Monday through Friday from 8:30 a.m. to 4:30 p.m., except State holidays, to answer questions. The "HELPLINE" numbers are:

786-6273	Richmond area
1-800-552-8627	All other areas

Please remember that the "HELPLINE" is for provider use only.