



Department of Medical Assistance Services
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www.dmas.virginia.gov

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 5/17/2004

SUBJECT: Prospective Drug Review Program (ProDUR) Changes to Early Refill (ER) edits and Update on Home Infusion Billing

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 Early Refill (ER) alerts for the Prospective Drug Utilization Review (ProDUR) Program. This memorandum also includes updated information about Home Infusion Billing.

ProDUR Early Refill (ER) Alerts

The Early Refill (ER) alerts occur when the prescription is presented for refill **before** 75% of the medication is used in compliance with the directions and quantity (days supply). Effective June 14, 2004, Early Refill (ER) alerts that currently deny and require the pharmacist to enter an intervention code to override the denial, will now require a **phone call** for an override. The Pharmacist should call **First Health Services Corporation (FHSC) at 800-932-6648 for the override.**

The following table outlines the Early Refill (ER) Override Criteria.

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**Virginia Medicaid
ProDUR – Early Refill (ER) Override Criteria**

Early Refill Approval Criteria:
- Dosage Adjustments - Incorrect days supply - Lost/Stolen/Destroyed - Vacation - Hospital kept Meds - Patient Error* - Two meds needed - Nursing home in/out
*Patient error will only be accepted as valid reason one time per drug per lifetime.

Approval Period: When the pharmacist calls FHSC they will receive a PA based on the approval criteria. The criteria will not allow more than ONE PA in 30 days, except in dosage adjustment cases.

Any questions regarding the Early Refill Edit can be referred to FHSC at 800-932-6648.

The First Health Clinical Call Center can be reached at **800-932-6648**, 24 hours, 7 days a week, to answer your questions regarding the Early Refill Alerts for ProDUR.

Home Infusion Billing Process

Home Infusion Therapy is the intravenous administration of fluids, drugs, chemical agents, or nutritional substances to recipients in the home setting. DMAS will reimburse for the services, supplies, and drugs **only** when they are determined to be:

- Medically necessary to treat a recipient's medical condition;
- In accordance with accepted medical practice; and
- Not for the convenience of the recipient or the recipient's caregiver.

For a provider to use the Home Infusion Therapy service day rate method of billing, the recipient must:

- Reside in either a private home or a domiciliary care facility, such as an adult care residence. Recipients in hospitals, nursing facilities, rehabilitation centers, and other Institutional settings are not eligible for this service;

- Be under the care of a physician who prescribes the home infusion therapy and monitors the progress of the therapy;
- Have body sites available for I.V. catheter or needle placement or have central venous access; and be capable of self-administering or have a caregiver who can be adequately trained, is capable, and is willing to administer/monitor home infusion therapy safely and efficiently follow the appropriate teaching and adequate monitoring. In those cases where the recipient is incapable of administering or monitoring the prescribed therapy, and there is no adequate or trained caregiver, it may be appropriate for a home health agency to administer the therapy.

Drugs for the active ingredient(s) are billed separately using the DMAS Pharmacy Drug Claim Ledger form (DMAS-173), Point-of-Service (POS) on-line billing, or other approved electronic billing method. Drugs used in addition to I.V. therapy, such as intramuscular and subcutaneous injections and subcutaneous therapies for hydration and/or pain management, are not covered under the home I.V. service day rate policy. These medications and their associated DME supplies must be ordered and billed separately according to current Medicaid guidelines.

Billing for Multiple Therapies

Multiple therapies of the same therapy are included in one service day rate of reimbursement. For example, if a recipient receives two antibiotics under drug therapy on the same day, the provider may only bill one service day rate for the pharmacy services. The individual antibiotics may be billed separately as active ingredients on the DMAS-173, Point-of-Service (POS) on-line billing, or other approved electronic billing methods.

Service Day Rate Definition

This payment methodology provides a fixed amount for each day of infusion therapy. The service day rate (per diem) reimburses for all services delivered in a single day. This payment methodology will be mandatory for the reimbursement of all Home I.V. Therapy services, unless the recipient is enrolled in one of the waived services outlined under "Special Considerations." Service day rates are based on an average day of service, and there will be no additional reimbursement for special or extraordinary services.

The service day rate payment will be in two service categories: Durable Medical Equipment (DME) and Pharmacy.

Durable Medical Equipment:

- For (Service Day Rate) **DME Per Diem**-submit on CMS-1500, with DME provider number and use the appropriate national codes (refer to Appendix B of the DME Provider Manual).
- Items in the DME service day rate include all supplies required to administer I.V. therapy, including but not limited to:

- *I.V. Pump/pole rental/control devices;
- *Tubings, adapters, caps, needles, filters, cannulas, extension sets, and alcohol swabs; and
- *I.V. Start kits and central venous catheter dressing kits.

Please refer to Appendix B of the DME Provider Manual for updated S-codes, which can be found by visiting our website at www.dmas@virginia.gov.

Pharmacy:

- For (Service Day Rate) **Pharmacy Per Diem**, submit claims on the CMS-1500, with the Pharmacy provider number and modifier “59” (in field “D” under “modifier”). We have converted to S-codes (please refer to table set forth below).
- Pharmacy Per Diems are for services provided every 24 hours or less. For dosing schedules that are greater than 24 hours, the per diem should be billed separately for each visit. (i.e. q72hrs should be billed using the corresponding S-code for q24hrs on each day of service)
- Items in the Pharmacy service day rate include the:
 - *Diluents for the therapeutic agent;
 - *Mixing and compounding;
 - *Flush kits and solutions (heparin and saline); and
 - *Cassettes and bags/mini-bags.

A table of Home Infusion Codes is set forth on the following page:

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Pharmacy Local Codes	Local Description	National Codes effective 06/20/03 thru 03/31/04	Modifier	National Codes effective 01/01/04	Modifier	Current Description
Z7779	Pharmacy Hydration Therapy	99561	59	S9373, S9374, S9375, S9376, S9377	59	Home Infusion Therapy-Hydration-per diem
Z7780	Pharmacy Chemotherapy	99555	59	S9329, S9330, S9331	59	Home Infusion Therapy-Chemotherapy-per diem
Z7781	Pharmacy Pain Therapy	99551, 99552	59	S9325, S9326, S9327, S9328	59	Home Infusion Therapy-Pain Management-per diem
Z7782	Pharmacy Drug Therapy	99556,99557, 99558,99564, 99565, 99566,99567	59	S9338, S9348, S9490, S9494, S9497, S9500, S9501, S9502, S9503, S9504	59	Home Infusion Therapy-Drug-per diem
Z7783	Pharmacy TPN Therapy	99562	59	S9364, S9365, S9366, S9367, S9368,	59	Home Infusion Therapy-TPN-per diem

NOTE: These specific home infusion codes include the diluents for the therapeutic agent, mixing and compounding, flush kits and solutions (heparin and saline) and cassettes and bags and mini-bags. Active ingredients are to be billed using the Pharmacy Claims Ledger or POS.

Any questions regarding Home Infusion Billing can be referred to the Helpline at:

786-6273 Richmond Area
 1-800-555-8627 All other Areas

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.virginia.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.