



An Information Service of the Division of Medical Assistance

**North Carolina
Medicaid Pharmacy
Newsletter**

Number 226

January 2014

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Published by CSC, fiscal agent for the North Carolina Medicaid Program
1-866-246-8505

Pharmacy Reimbursement Changes

Session Law 2013-363, SECTION 4.13 mandates the following changes to drug reimbursement effective January 1, 2014:

- (1) The reimbursement for the Enhanced Specialty Discount Drug list will change from Wholesale Acquisition Cost (WAC) + 2.2% to WAC + 1%.
- (2) The State's Estimated Acquisition Cost for non-specialty drugs will change from WAC + 6% to WAC + 2.7%.
- (3) The percentage mark up for the State Maximum Allowable Cost (SMAC) program will change from 192.5% to 150% of the lowest cost generic drug.
- (4) The rate for dispensing brand drugs will change from **\$3.00** to **\$2.00**.
- (5) The rates for dispensing generic drugs will change to the following tiers:

Percentage Tier Rate	Generic Dispensing Fee
Greater than or equal to 80%	\$7.75
Greater than or equal to 75% and less than 80%	\$5.50
Greater than or equal to 70% and less than 75%	\$2.00
Less than 70%	\$1.00

3% Rate Reduction

A Shared Savings Plan was enacted by North Carolina Session Law 2013-360, Sections 12H.18 (b). Effective January 1, 2014, reimbursement rates for the following services rendered to Medicaid and NC Health Choice recipients ***will be reduced by 3%***.

- Inpatient hospital.
- Physician, (excluding primary care providers who have attested for the enhanced reimbursement until January 1, 2015.)
- Dental.
- Optical services and supplies.
- Podiatry.
- Chiropractors.
- Hearing aids.
- Personal care services.
- Nursing homes.
- Adult care homes.
- Dispensing drugs.

Please note that the **3% reduction** for pharmacies will apply only to dispensing fees. The **3% reduction** to dispensing fees is in addition to the drug reimbursement changes required by North Carolina Session Law 2013-363, Section 4.13 which are also effective **January 1, 2014**.

DMA is consulting with providers to develop a shared savings plan to implement by July 1, 2014, with provider payments beginning January 1, 2015. The shared savings plan shall provide incentives to provide effective and efficient care that result in positive outcomes for Medicaid and NC Health Choice recipients.

DMA will host a series of webinars in January in order to provide stakeholders with an overview of the Shared Savings Plan as well as solicit ideas on the shared savings methodology. More information regarding the Shared Savings Plan, including upcoming webinar dates, is available at <http://www.ncdhhs.gov/dma/plan/index.htm>

Questions, comments and/or recommendations regarding the Shared Savings plan can be sent to DMA.NCSharedSavings@lists.ncmail.net.

TPL Suspect Edit

During pharmacy claims processing, TPL Suspect Edit (Edit 00259) will be triggered when the recipient is suspected of having drug coverage from another third party. This edit does not confirm that the recipient actually has other coverage, but instead serves as a prompt for pharmacies to perform additional verification before submitting the claim. Once the provider has established that the patient does not have any other primary coverage, the claim may be submitted with an "Other Coverage Code" of 01 (no other coverage identified). This will effectively bypass edit 00259 and the claim will then be processed successfully. If the recipient does have other coverage, the other third party must be billed as the primary payer.

72-Hour Emergency Supply Available for Pharmacy PA Drugs

Pharmacy providers are encouraged to use the 72-hour emergency supply allowed for drugs requiring prior authorization. ***Federal law requires that this emergency supply be available to Medicaid recipients for drugs requiring prior authorization.*** [Social Security Act, Section 1927, 42 U.S.C. 1396r-8(d)(5)(B)]. Use of this emergency supply will ensure access of medically necessary medications.

The system will bypass the prior authorization requirement if an emergency supply is indicated. A "3" in the Level of Service field (418-DI) should be used to indicate that the transaction is an emergency fill. ***Please Note: Co-payments will apply and only the drug cost will be reimbursed. There is no limit to the number of times the emergency supply can be used.***

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 on the FUL list until the FUL rate has been adjusted to adequately cover the cost of the drug.

As indicated in previous communications, use of the *DAWI* override code is being monitored. A claim submitted for more than the State Maximum Allowable Cost (SMAC) rate on file may lead to an identifiable overpayment. Any difference between the SMAC rate on file for the date of service and the actual rate applied to the claim (*if higher*) may be considered an overpayment and subject to recoupment.

NDC	NAME
00054003721	CLARITHROMYCIN 500 MG TAB ROXANE
00054302802	ACETYLCYSTEI 200 MG VIAL ROXANE
00054455015	METHOTREXATE 2.5 MG TAB ROXANE
00054455025	METHOTREXATE 2.5 MG TAB ROXANE
00093026330	FLUOCINONIDE E 0.05 % CRM TEVA
00093026392	FLUOCINONIDE E 0.05 % CRM TEVA
00093075701	PIROXICAM 20 MG CAP TEVA
00093075705	PIROXICAM 20 MG CAP TEVA
00093092401	OXAPROZIN 600MG TAB TEVA
00093423501	NADOLOL 20 MG TAB TEVA
00093423601	NADOLOL 40 MG TAB TEVA
00143211205	DOXY HYCLATE 100 MG TAB WEST WARD
00143314150	DOXY HYCLATE 50 MG CAP WEST WARD
00143314205	DOXY HYCLATE 100 MG CAP WEST WARD
00143314250	DOXY HYCLATE 100 MG CAP WEST WARD
00143980305	DOXY HYCLATE 100 MG CAP WEST WARD
00168000215	TRIAMCINOLONE ACET 0.5 % CRM SANDOZ
00168000315	TRIAMCINOLONE ACET 0.025% CRM SANDOZ
00168000380	TRIAMCINOLONE ACET 0.025% CRM SANDOZ
00168000415	TRIAMCINOLONE ACET 0.1 % CRM SANDOZ
00168000416	TRIAMCINOLONE ACET 0.1 % CRM SANDOZ
00168000480	TRIAMCINOLONE ACET 0.1 % CRM SANDOZ
00168000615	TRIAMCINOLONE ACET 0.1 % OINT SANDOZ
00168000616	TRIAMCINOLONE ACET 0.1 % OINT SANDOZ
00168000680	TRIAMCINOLONE ACET 0.1 % OINT SANDOZ
00168004046	BETAMETHASONE VAL 0.1 % CRM SANDOZ
00168005515	BETAMETHASONE DIP 0.05 % CRM SANDOZ
00168005546	BETAMETHASONE DIP 0.05 % CRM SANDOZ
00168008130	NYST TRIAMCI 100000 CRM SANDOZ
00168008160	NYST TRIAMC 100000 CRM SANDOZ
00168013460	FLUOCINONIDE 0.05 % SOL SANDOZ
00168020230	CLINDAMYCIN PHOS 1 % GEL SANDOZ
00168020260	CLINDAMYCIN PHOS 1 % GEL SANDOZ
00168025815	CLOTRM BMETH 1 %-0.05% CRM SANDOZ
00168025846	CLOTRM BMETH 1 %-0.05% CRM SANDOZ

00168031002	DESONIDE 0.05 % LOT SANDOZ
00168031004	DESONIDE 0.05 % LOT SANDOZ
00168037030	CLOTRM BMETH 1 %-0.05% LOT SANDOZ
00168038360	METRONIDAZOLE 0.75 % LOT SANDOZ
00185072401	CARISOPRODOL ASA 200-325MG TAB SANDOZ
00185072405	CARISOPRODOL ASA 200-325MG TAB SANDOZ
00185094098	CHOLESTYRAMINE SUCR 4 G PWD SANDOZ
00228206710	OXAZEPAM 10 MG CAP ACTAVIS
00228206910	OXAZEPAM 15 MG CAP ACTAVIS
00245053660	CHOLESTYRAMN 4 G PWD UPSHER SMITH
00378034701	HCTZ PROPRANOLOL 25MG /80 MG TAB MYLAN
00378117110	NADOLOL 40 MG TAB MYLAN
00378135501	HCTZ TRIAM75 MG-50TABMYLA
00378135505	HCTZ TRIAM75 MG-50TABMYLA
00378302501	CLOMIPRAMINE HCL 25MG CAP MYLAN
00378425001	DOXEPIN HCL 50 MG CAP MYLAN
00378537501	DOXEPIN HCL 75 MG CAP MYLAN
00378641001	DOXEPIN HCL 100 MG CAP MYLAN
00378641010	DOXEPIN HCL 100 MG CAP MYLAN
00406055201	OXYCODONE HCL 5 MG TAB MALLINCKRODT
00406055223	OXYCODONE HCL 5 MG TAB MALLINCKRODT
00406055262	OXYCODONE HCL 5 MG TAB MALLINCKRODT
00406114201	METHYLPHN HCL 5 MG TAB MALLINCKRODT
00406114210	METHYLPHN HCL 5 MG TAB MALLINCKRODT
00406114401	METHYLPHN HCL 10 MG TAB MALLINCKRODT
00406114410	METHYLPHN HCL 10 MG TAB MALLINCKRODT
00406114601	METHYLPHN HCL 20 MG TAB MALLINCKRODT
00406895901	D-AMPHET SULF 10 MG TAB MALLINCKRODT
00472016315	NYSTATIN 100000/G CRM ACTAVIS
00472016330	NYSTATIN 100000/G CRM ACTAVIS
00472016615	NYSTATIN 100000/G OINT ACTAVIS
00472016630	NYSTATIN 100000/G OINT ACTAVIS
00472037915	CLOTRM BMETH 1 %-0.05% CRM ACTAVIS
00472037945	CLOTRM BMETH 1 %-0.05% CRM ACTAVIS
00472080302	DESONIDE 0.05 % LOT ACTAVIS
00472080304	DESONIDE 0.05 % LOT ACTAVIS
00527132401	DIGOXIN 125 MCG TAB LANNETT CO
00527132501	DIGOXIN 250 MCG TAB LANNETT CO
00527142635	OXYCODON HCL 20 MG/ML CONC LANNETT
00527142636	OXYCODON HCL 20 MG/ML CONC LANNETT
00555057202	METHOTREXATE 2.5 MG TAB BARR

00555057235	METHOTREXATE 2.5 MG TAB BARR
00555095302	D-AMPHET SULF 10 MG TAB BARR
00574723412	PHENADOZ 25 MG SUP WATSON
00574723612	PHENADOZ 12.5MG SUP WATSON
00591060701	LABETALOL 300 MG TAB ACTAVIS
00591081046	SILVER SULFA DIAZ 1 % CRM ACTAVIS
00591081055	SILVER SULFA DIAZ 1 % CRM ACTAVIS
00591081085	SILVER SULFA DIAZ 1 % CRM ACTAVIS
00591216039	PHENADOZ 12.5 MG SUP ACTAVIS
00591216139	PHENADOZ 25MG SUP ACTAVIS
00591252250	METRONIDAZOL 500 MG TAB ACTAVIS
00591544050	DOXY HYCLATE 100 MG CAP ACTAVIS
00591555305	DOXY HYCLATE 100 MG TAB ACTAVIS
00591578701	NORTRPTYLINE HCL 25 MG CAP ACTAVIS
00591578705	NORTRPTYLINE HCL 25 MG CAP ACTAVIS
00591578710	NORTRPTYLINE HCL 25 MG CAP ACTAVIS
00591588301	METHYLPHN HCL 10 MG TAB ACTAVIS
00591588401	METHYLPHN HCL 20 MG TAB ACTAVIS
00603459315	METHYLPREDNISOL 4 MG TAB QUALITEST
00603459321	METHYLPREDNISOL 4 MG TAB QUALITEST
00603497521	OXYBUTYNIN CHLORIDE 5MG TABLET QUALITEST
00603497528	OXYBUTYNIN CHLORIDE 5MG TABLET QUALITEST
00603497532	OXYBUTYNIN CHLORIDE 5MG TABLET QUALITEST
00603499021	OXYCODONE HCL 5 MG TAB QUALITEST
00603499028	OXYCODONE HCL 5 MG TAB QUALITEST
00603781874	NYSTATIN 100000/G CRM QUALITEST
00603781878	NYSTATIN 100000/G CRM QUALITEST
00713053612	PROMETHEGAN 12.5 MG SUP G&M LABS
00713063415	MOMETASONE 0.1 % CRM G&M LABS
00713063986	HALOBETASOL PROP 0.05 % OINT G&M LABS
00781100801	HCTZ TRIAM 75 MG-50MG TAB SANDOZ
00781100805	HCTZ TRIAM 75 MG-50MG TAB SANDOZ
00781107101	METHAZOLAMDE 50 MG TAB SANDOZ
00781118101	NADOLOL 20MG CAP SANDOZ
00781118201	NADOLOL 40 MG TAB SANDOZ
00781169501	ISOSORB DINI20 MG TAB SANDOZ
00781169510	ISOSORB DINI20 MG TAB SANDOZ
00781196160	CLARITHROMYCIN 250 MG TAB SANDOZ
00781196260	CLARITHROMYCIN 500 MG TAB SANDOZ
00781574801	METHYLPHN HCL 5 MG TAB SANDOZ
00781574901	METHYLPHN HCL 10 MG TAB SANDOZ

00781575301	METHYLPHN HCL 20 MG TAB SANDOZ
00904042840	DOXY HYCLATE 100 MG CAP MAJOR
24208067004	SULFACETA NA10 % DRP VALEANT
29033001301	PIROXICAM 20 MG CAP NOSTRUM LAB
29033001305	PIROXICAM 20 MG CAP NOSTRUM LAB
43598021040	SSD 1 % CRM DR. REDDY
43598021050	SSD 1 % CRM DR. REDDY
45802002146	BETAMETH DIP 0.05 % LOT PERRIGO
45802004811	NYSTATIN 100000/G OINT PERRIGO
45802004835	NYSTATIN 100000/G OINT PERRIGO
45802005911	NYSTATIN 100000 UNIT CREAM PERRIGO
45802006405	TRIAMCIN ACET 0.1 % CRM PERRIGO
45802006435	TRIAMCIN ACET 0.1 % CRM PERRIGO
45802006436	TRIAMCIN ACET 0.1 % CRM PERRIGO
45802006535	TRIAMCIN ACET 0.5 % CRM PERRIGO
45802042235	DESONIDE 0.05 % CRM PERRIGO
45802042237	DESONIDE 0.05 % CRM PERRIGO
45802042335	DESONIDE 0.05 % OINT PERRIGO
45802042337	DESONIDE 0.05 % OINT PERRIGO
45802045535	HC VALERATE 0.2 % CRM PERRIGO
45802045537	HC VALERATE 0.2 % CRM PERRIGO
45802045542	HC VALERATE 0.2 % CRM PERRIGO
47781026301	OXYCODONE HCL 5 MG TAB ALVOGEN
48102010101	METHAZOLAMDE 50 MG TAB FERA
49884046565	CHOLESTYRAMINE SUCR 4 G PWD PAR
50111033301	METRONIDAZOLE 250 MG TAB PLIVA
50111033401	METRONIDAZOLE 500 MG TAB PLIVA
50111033402	METRONIDAZOLE 500 MG TAB PLIVA
50383026715	CLOBETASOL 0.05 %CRM HI-TECH
50383026730	CLOBETASOL 0.05 %CRM HI-TECH
50383026745	CLOBETASOL 0.05 %CRM HI-TECH
50383026760	CLOBETASOL 0.05 %CRM HI-TECH
51672125301	FLUOCINONIDE 0.05 % CRM TARO
51672125302	FLUOCINONIDE 0.05 % CRM TARO
51672125303	FLUOCINONIDE 0.05 % CRM TARO
51672125304	FLUOCINONIDE 0.05 % CRM TARO
51672125903	CLOBETASOL 0.05 % OINT TARO
51672126301	NYST TRIAMCIN 100000 CRM TARO
51672126302	NYST TRIAMCIN 100000 CRM TARO
51672126303	NYST TRIAMCIN 100000 CRM TARO
51672127201	NYST TRIAMCIN 100000 OINT TARO

51672127202	NYST TRIAMCIN 100000 OINT TARO
51672127203	NYST TRIAMCIN 100000 OINT TARO
51672127304	FLUOCINONIDE 0.05 % SOL TARO
51672128003	DESONIDE 0.05 % CRM TARO
51672128103	DESONIDE 0.05% OINT TARO
51672128202	TRIAMCIN ACET 0.1 % CRM TARO
51672128901	NYSTATIN 100000/G CRM TARO
51672128902	NYSTATIN 100000/G CRM TARO
51672129001	HC VALERATE 0.2 % CRM TARO
51672129003	HC VALERATE 0.2 % CRM TARO
51672129006	HC VALERATE 0.2 % CRM TARO
51672129201	HC VALERATE 0.2 % OINT TARO
51672129203	HC VALERATE 0.2 % OINT TARO
51672129206	HC VALERATE 0.2 % OINT TARO
51672401105	CLOMIPRAMINE HCL 25MG CAP TARO
51672401205	CLOMIPRAMINE HCL 50 MG CAP TARO
51672401206	CLOMIPRAMINE HCL 50 MG CAP TARO
51672401305	CLOMIPRAMINE 75 MG CAP TARO
51672404709	CARBAMAZEPINE 100 MG SUS TARO
51672404801	CLOTRIMAZOLE 1 %-0.05% CRM TARO
51672404806	CLOTRIMAZOLE 1 %-0.05% CRM TARO
51672407401	HC BUTYRATE 0.1 % CRM TARO
51672411606	METRONIDAZOLE 0.75 % GEL TARO
53489011802	DOXY HYCLATE 50 MG CAP MUTUAL
53489011902	DOXY HYCLATE 100MG CAP MUTUAL
53489011905	DOXY HYCLATE 100MG CAP MUTUAL
53489012002	DOXY HYCLATE 100 MG TAB MUTUAL
53489012005	DOXY HYCLATE 100 MG TAB MUTUAL
53489017701	ALBUTEROL SULF 4MG TAB MUTUAL
57664022888	METHYLPHN HCL 5 MG TAB CARACO
57664022988	METHYLPHN HCL 10 MG TAB CARACO
57664023088	METHYLPHN HCL 20 MG TAB CARACO
59746000103	METHYLPREDNISOLONE 4 MG TAB CADISTA
59762372802	CLINDAMY PHOS 1 % SOL GRN STONE
59762374301	CLINDAMY PHOS 1 % GEL GRN STONE
59762374302	CLINDAMY PHOS 1 % GEL GRN STONE
59762374401	CLINDAMYCIN 1% LOTION GRN STONE
61314063136	NEO POL DEXA 3.5-10 OINT SANDOZ
61314063705	PREDNISOLONE ACET 1 % DRP SANDOZ
61314063710	PREDNISOLONE ACET 1 % DRP SANDOZ
61314064305	TOBRAMYCIN SULF 0.3 % DRP SANDOZ

61314064610	NEO POLYMX HCL 3.5-10% SOL SANDOZ
61314070101	SULFACETAMIDE NA 10 % DRP SANDOZ
64679094901	CLARITHROMYCIN 500 MG TAB WOCKHARDT
66689002530	OXYCODON HCL 20MG/ML CONC. VISTA
67253032010	METHYLTREXATE SODIUM 2.5 MG TAB DAVA
67405011045	METRONIDAZOLE 0.75 % CRM HARRIS
68084035401	OXYCODONE HCL 5 MG TAB AHP
68084035411	OXYCODONE HCL 5 MG TAB AHP
68308050547	OXYCODONE HCL 5 MG TAB MIDLOTHIAN LAB
68382076214	CLARITHROMYCIN 500 MG TAB ZYDUS
68382079301	OXYCODONE HCL 5 MG TAB ZYDUS
68462034737	OXYCODON HCL 20 MG/ML CONC GLENMARK

Electronic Cut-Off Schedule

January 3, 2014
January 10, 2014
January 17, 2014
January 24, 2014

Checkwrite Schedule

January 7, 2014
January 14, 2014
January 22, 2014
January 28, 2014

POS Claims must be transmitted and completed by 11:59 p.m. on the day of the electronic cut-off date to be included in the next checkwrite.

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