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Cost Avoidance Rejection Override Codes at Point-of-Sale (POS)

Medicaid is always the payor of last resort when a beneficiary has other insurance that covers prescription drugs. The NCTracks POS system will check for current third-party coverage on the eligibility file. A message will be sent back by the POS system telling the provider that the beneficiary has third-party coverage for that date of service. The other third party must be billed as the primary payor, and then Medicaid can be billed as the second payor. Cost avoidance override codes are available should a situation arise where they are needed.

The Other Coverage Codes and their indications are listed below:

01= No Other Coverage Identified

02 = Other Coverage Exists - Payment Collected (The member has other coverage and the payor has returned a payment amount. The payment amount is submitted in field 431-DV to the secondary payor (e.g.: Medicaid).

03 = Other Coverage Exists - This Claim Not Covered (Claim not covered under primary Third Party Plan. If primary denied the claim as Refill Too Soon, the claim would be submitted to the secondary payor with the Other Coverage Code 3. In this situation, claim would more than likely be too early for Medicaid as well)

04 = Other Coverage Exists - Payment Not Collected (Used when the member has other coverage and that payor has accepted the claim, but did not return any payment. This would be an example in which the member had a deductible amount to meet under the primary payor. The member is responsible for 100% of the payment, and the payor returns 100% of the payment, and the payor returns $0.)

The override codes listed above will be reported back to Medicaid on a monthly basis.

Generic Dispensing Rate (GDR) Reports

DMA has received requests for a report at the claim level detail to help pharmacies identify missed opportunities to maximize their GDR. DMA is working with CSRA, the vendor responsible for determining the quarterly GDR, to develop claim level detail generic dispensing rate reports. A pharmacy will be able to obtain these analysis reports on an ad hoc basis. Further information will be provided when the reports are operational.

As a reminder, generic products, preferred brand products with non- preferred generics, compounded claims, and Roche diabetic supplies count as generics towards a pharmacy's GDR percentage.

Prescriptions for Preferred Brands with Non-preferred Generic Alternatives

Brand preferred/generic non-preferred prescription claims will reimburse at the NADAC brand cost basis when submitted using a DAW code of 1 or 8 (or 7 for NTI drugs). The use of DAW code 9 for brand preferred/generic non-preferred prescriptions will not allow these prescriptions to be correctly reimbursed and will result in an underpayment.

DMA is aware of concerns over the use of DAW codes 1 and 8 for brand preferred/generic non-preferred prescriptions and has identified a solution that will not require brand preferred/generic non-preferred prescriptions to be submitted with a DAW code in order for these prescriptions to be correctly reimbursed. This solution is currently being developed and tested by CSRA, the vendor responsible for maintaining NCTracks, and has been given a priority status. Further information will be provided once the solution is scheduled for implementation into NCTracks.

Until the final solution is implemented into NCTracks, pharmacy providers may submit their claims for brand preferred/generic non-preferred prescriptions using a DAW code 1 or 8 (or 7 for NTI drugs) as stated above. Pharmacy providers may also wait until the final solution is implemented into NCTracks when the use of a DAW code will not be required and resubmit their claims where underpayment has occurred at that time.

Coverage of Ulesfia Lotion Terminated

All Ulesfia products have been HCFA termed as of August 31, 2016 and/or no longer have Federal rebates agreements. As a result, Ulesfia Lotion is no longer covered by NC Medicaid.

Procedures for Prior Authorization of Synagis for Respiratory Syncytial Virus (RSV) Season 2016/2017

The clinical criteria utilized by N.C. Medicaid (Medicaid) for the 2016/2017 Respiratory Syncytial Virus (RSV) season are consistent with guidance published by the American Academy of Pediatrics (AAP): 2015 Report of the Committee on Infectious Diseases, 30th Edition. This guidance for Synagis use among infants and children at increased risk of hospitalization for Respiratory Syncytial Virus (RSV) infection is available on line by subscription. The coverage season is November 1, 2016 through March 31, 2017. Providers are encouraged to review the AAP guidance prior to the start of the RSV season. Early and Periodic Screening, Diagnosis and Treatment (EPSDT) criteria are evaluated for Synagis requests.

Guidelines for Evidenced Based Synagis Prophylaxis:

- Infants younger than 12 months at start of season with diagnosis:
  - Prematurity - born before 29 weeks 0 days gestation
  - Chronic Lung Disease (CLD) of prematurity (defined as birth at less than 32 weeks 0 days gestation and required greater than 21% oxygen for at least 28 days after birth)
  - Hemodynamically significant acyanotic heart disease and receiving medication to control congestive heart failure and will require cardiac surgical procedures and; moderate to severe pulmonary hypertension
  - Infants with cyanotic heart disease may receive prophylaxis with cardiologist recommendation.
- Infants during first year of life with diagnosis:
  - Neuromuscular disease or pulmonary abnormality that impairs the ability to clear secretions from the upper airways
- Infants less than 24 months of age with diagnosis:
  - Profound immune-compromise during RSV season
  - CLD of prematurity (see above definition) and continue to require medical support (supplemental oxygen, chronic corticosteroid or diuretic therapy) during 6 month period before start of second RSV season
  - Cardiac transplantation during RSV season

Prior Approval (PA) Request

Submit all PA requests for coverage of Synagis during the coverage season electronically at www.documentforsafety.org. The web-based program will process PA information in accordance with the guidelines for use. A PA request can automatically approve based on the information submitted. The program allows a provider to self-monitor the status of a request. Up to five doses can be approved for coverage. Coverage of Synagis for neuromuscular disease or congenital anomaly that impairs ability to clear respiratory secretions from the upper airway will terminate when the beneficiary exceeds 12 months of age. Coverage of Synagis for CLD, profound immune-compromise or cardiac transplantation will terminate when the beneficiary exceeds 24 months of age.

Dose Authorization

Each Synagis dose will be individually authorized to promote efficient product distribution. Providers must submit a "**next dose request**" to obtain an authorization for each dose. Providers should ensure the previously obtained supply of Synagis is administered before submitting a next dose request. Providers will fax each single dose authorization to the pharmacy distributor of choice.

If an infant received one or more Synagis doses prior to hospital discharge, the provider should indicate as part of the request the most recent date a dose was administered and the number of doses administered by the provider should be adjusted accordingly. If any infant or young child receiving monthly palivizumab prophylaxis experiences a breakthrough laboratory confirmed RSV hospitalization, coverage of Synagis will be discontinued.

Pharmacy Distributor Information
Single dose vial specific authorizations, not to exceed the maximum number of doses approved for the beneficiary, will be issued by Medicaid. It is important for the Synagis distributor to have the appropriate single dose authorization on hand and a paid point of sale (POS) claim prior to shipping Synagis. An individual dose authorization is required for each paid Synagis claim. The drug quantity submitted on the claim should not exceed the quantity indicated on the authorization. Payment for a Synagis claim will be denied if a dose request was not done by the provider.

Synagis claims processing will begin on October 26, 2016 to allow sufficient time for pharmacies to provide Synagis by November 1, 2016. Payment of Synagis claims with date of service before October 26, 2016 and after March 31, 2017 is not allowed. POS claims should not be submitted by the pharmacy distributor prior to the first billable date of service for the season. Pharmacy providers should always indicate an accurate days' supply when submitting claims to Medicaid. Claims for Synagis doses that include multiple vial strengths must be submitted as a single compound drug claim. Synagis doses that require multiple vial strengths that are submitted as individual claims will be subject to recoupment. Physicians and pharmacy providers are subject to audits of beneficiary records by DMA. Maintain Synagis dose authorizations in accordance with required record keeping time frames.

Provider Information
Providers without internet access should contact the Medicaid Outpatient Pharmacy Program at (919) 855-4300 to facilitate submission of a PA request for Synagis. More information about the Synagis program is available at: www.documentforsafety.org.

Submitting a Request to Exceed Policy
The provider should use the **Non-Covered State Medicaid Plan Services Request Form for Recipients under 21 Years of Age** to request Synagis doses exceeding policy or for coverage outside the defined coverage period. The form is available on DMA's website at http://www.ncdhhs.gov/dma/epsdt/. Information about EPSDT coverage is found at (see http://www.ncdhhs.gov/dma/epsdt/index.htm).

Technical Support
Technical support is available Monday to Friday from 8am to 5pm by calling 1-855-272-6576 (local: 919-926-3986). Technical support can assist with provider registration, user name and password issues, beneficiary searches, and other registry functions.

Upcoming Preferred Drug List Review Panel Meeting - September 29, 2016

The Medicaid and Health Choice Preferred Drug List (PDL) Review Panel was established by DHHS to conduct open meetings to review recommended policies and procedures related to the PDL and to address the public comments received during the PDL comment period. The administration and review of the North Carolina Medicaid and Health Choice PDL follows the Preferred Drug List Review Panel Guidelines and Procedures.

The next PDL panel meeting is scheduled for September 29, 2016 from 1–5 pm. The meeting will be held at the State Library Building at 109 E. Jones Street, Raleigh.

To sign up to speak at the PDL Review Meeting, send an email to: DMA.PDLReviewMeeting@lists.ncmail.net by 5 p.m. on Sept. 27, 2016. Include the name of the speaker, the represented organization and the drug name. You may attach any clinical information about the drug you wish the PDL Panel to review beforehand. Presentations are allowed only in the drug classes with changes and should not exceed three minutes.

72-hour Emergency Supply Available for Pharmacy Prior Authorization 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 to medically necessary medications.

The system will bypass the prior authorization requirement if an emergency supply is indicated. Use a ***"3"*** in the Level of Service field (418-DI) to indicate that the transaction is an emergency fill. ***Note: Copayments 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.***

Electronic Cutoff Schedule	Checkwrite Schedule
September 2, 2016	September 7, 2016
September 9, 2016	September 13, 2016
September 16, 2016	September 20, 2016
September 22, 2016	September 27, 2016

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

The 2016 DMA checkwrite schedule is under **Quick Links** on the NCTracks Provider Portal home page.

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