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Pharmacy Reimbursement Methodology Changes

On July 21, 2017, the Centers for Medicare & Medicaid Services (CMS) notified North Carolina Medicaid that its State Plan Amendment (SPA TN17-0003) had been reviewed and was approved effective April 1, 2017. The purpose of the proposed changes is to align the State Plan with changes to [CFR 447.512](#) and [447.518](#) enacted in the covered outpatient drugs final rule ([CMS-2345-FC](#)).

This SPA implements changes to the pharmacy reimbursement methodology for ingredient costs and professional dispensing fees for clotting factor based on a survey of costs for Hemophilia Treatment Centers (HTCs) and non-HTCs. A 340b and a non-340b state maximum allowable cost (SMAC) rate will be established based on actual acquisition costs for all clotting factor drugs to determine reimbursement of the ingredient cost and the professional dispensing fees for all clotting factor drugs will be \$0.04 per unit for HTCs and \$0.025 per unit for non-HTCs.

Moreover, the SPA specifies that drugs purchased through 340-B covered entities, Federal Supply Schedule, nominal price, and specialty drugs will be reimbursed at their actual acquisition costs.

The updated reimbursement methodology will be implemented in NCTracks April 29, 2018. Claims for clotting factor submitted after that date will be processed and reimbursed using the updated reimbursement methodology.

Pharmacy providers are reminded that clotting factor claims paid between April 1, 2017 and April 29, 2018, will be reprocessed using the updated reimbursement methodology. A future announcement will be posted in the Medicaid Bulletin and Pharmacy Newsletter when the date for the claim reprocessing has been finalized.

Pharmacy providers are advised that any overpayment determined during the reprocessing of these claims will be recouped against future payments.

Roche Free Meter Help Line

Roche maintains a help line for the Roche Free Meter Program that is operational from 8 a.m. to 8 p.m., Monday through Friday. The number is 1-800-357-7613. As a reminder, one free meter per beneficiary is covered every two years.

Zoster Vaccine Recombinant, Adjuvanted, Suspension for Intramuscular Injection (Shingrix) CPT code 90750: Billing Guidelines

Effective with date of service Nov. 8, 2017, the North Carolina Medicaid Program reimburses pharmacies for Zoster Vaccine Recombinant, Adjuvanted, Suspension for Intramuscular Injection (Shingrix) - Zoster (shingles) vaccine, (HZV), recombinant, sub-unit, adjuvanted, for intramuscular injection as permitted by G.S. 90-85.15B when

administered to North Carolina Medicaid beneficiaries 19 years of age and older by an immunizing pharmacist.

The Shingrix suspension for injection is supplied as a single-dose vial of lyophilized varicella zoster virus glycoprotein E (gE) antigen component to be reconstituted with the accompanying vial of AS01B adjuvant suspension component. After reconstitution, a single dose of Shingrix is 0.5 mL. Shingrix is indicated for prevention of herpes zoster (shingles) in adults aged 50 years and older. Shingrix is **not** indicated for prevention of primary varicella infection (chickenpox).

The recommended dose of Shingrix is two doses (0.5 mL each) administered intramuscularly according to the following schedule: A first dose at month 0 followed by a second dose administered anytime between two and six months later. See prescribing information for details.

For Medicaid Billing

- The ICD-10-CM diagnosis code required for billing is Z23 - Encounter for immunization.
- Providers must bill with CPT code 90750 - Zoster (shingles) vaccine, (HZV), recombinant, sub-unit, adjuvanted, for intramuscular injection.
- Pharmacies that have pharmacists approved to administer vaccines must submit claims with a CG modifier appended to both vaccine CPT code and administration code. Please see NC Medicaid bulletin from October 2016, [Pharmacist Administrated Vaccine and Reimbursement Guidelines for 2016-2017 for N.C. Medicaid](#), for detailed information.
- One Medicaid unit of coverage is 0.5 mL.
- The maximum reimbursement rate per unit is \$144.20.
- Providers must bill 11-digit National Drug Codes (NDCs) and appropriate NDC units. The NDCs are: 58160-0823-11 and 58160-0819-12.
- The NDC units should be reported as “UN1.”
- For additional information, refer to the January 2012 Special Bulletin, [National Drug Code Implementation Update](#).
- For additional information regarding NDC claim requirements related to the Physicians Drug Program (PDP), refer to the [PDP Clinical Coverage Policy No. 1B](#), Attachment A, H.7 on the Medicaid website.
- Providers shall bill their usual and customary charge for non-340-B drugs.
- PDP reimburses for drugs billed for Medicaid and NCHC beneficiaries by 340-B participating providers who have [registered with the Office of Pharmacy Affairs \(OPA\)](#). Providers billing for 340-B drugs shall bill the cost that is reflective of their acquisition cost. Providers shall indicate that a drug was purchased under a 340-B purchasing agreement by appending the “UD” modifier on the drug detail.
- The fee schedule for the PDP is available on the Medicaid [PDP web page](#).

2017-2018 NC Medicaid and Health Choice Preferred Drug List

Preferred Brands with Non-Preferred Generic Alternatives

Current as of April 1, 2018

Preferred Brand	Non-Preferred Generic
Actiq Lozenge	fentanyl citrate lozenge
Adderall XR	amphetamine Salt Combo ER
Aggrenox	aspirin-dipyridamole ER
Alphagan P	brimonidine P
Androgel	testosterone
Astepro nasal spray	azelastine nasal spray
Butrans	buprenorphine
Catapres-TTS	clonidine patches
Cipro Suspension	ciprofloxacin suspension
Clobex Shampoo	clobetasol shampoo
Concerta	methylphenidate ER
Copaxone	glatiramer
Differin	adapalene
Diovan	valsartan
Diastat Accudial/Pedi System	diazepam rectal/system
Dovonex cream	calcipotriene cream
Emend	aprepitant
Epiduo gel	Epiduo gel
Epivir HBV	lamivudine
Evista	raloxifene
Exelon Patch	rivastigmine patch
Exforge	amlodipine / valsartan
Exforge-HCT	amlodipine / valsartan / HCT
Fazaclo ODT	clozapine ODT
Focalin / Focalin XR	dexmethylphenidate
Gabitril 2mg and 4mg	tiagabine
Glyset	miglitol
Hepsera 10 mg	adefovir
Istadol drops	adefovir drops
Kadian ER	morphine sulfate er
Kapvay	clonidine ER
Kitabis Pak	tobramycin
Lialda	mesalamine
Lovenox vial only	enoxaparin vial only
Methylin Solution	methylphenidate solution
MetroCream	metronidazole cream

Preferred Brand	Non-Preferred Generic
MetroLotion	metronidazole lotion
Metrogel Topical gel/pump	metronidazole gel topical
Namenda Solution	memantine solution
Natroba	spinosad
Nexium RX	esomeprazole
Nuvigil	armodafinil
Orapred ODT	prednisolone ODT
Oxycontin	oxycodone ER
Pataday	olopatadine
Patanase	olopatadine
Provigil	modafinil
Pulmicort respules	budesonide respules
Renvela powder pkt	sevelamer powder pkt
Retin-A Cream/Gel	tretinoin cream/gel
Rythmol SR	propafenone SR
Sabril Powder Pack	vigabatrin powder pack
Suprax Susp	cefixime Susp
Symbyax	olanzepine / fluoxetine
Tamiflu	oseltamivir
Tegretol Tab/ Susp /XR	carbamazepine Tab/ Susp / XR
TobraDex Drops	tobramycin / dexamethasone drops
Transderm-Scop	scopolamine
Vagifem	estrodiol
Vigamox	moxifloxacin
Voltaren Gel	diclofenac gel
Zetia	ezetimibe
Zovirax ointment	acyclovir ointment

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 approval. **Federal law requires that this emergency supply be available to Medicaid beneficiaries for drugs requiring prior approval** (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 approval 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

March 30, 2018
April 6, 2018
April 13, 2018
April 20, 2018

Checkwrite Schedule

April 3, 2018
April 10, 2018
April 17, 2018
April 24, 2018

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 2018 checkwrite schedules for both DMA and DMH/DPH/ORH can be found under the Quick Links on the right side of the [NCTracks Provider Portal](#) home page.

John C. Stancil, Jr., R.Ph.
Director, Pharmacy and DMEPOS Programs
Division of Medical Assistance
N.C. Department of Health and Human Services

Rick Paderick, R.Ph.
Pharmacy Director
NCTracks
CSRA

Sandra Terrell, MS, RN
Director of Clinical
Division of Medical Assistance
N.C. Department of Health and Human Services

Lori Landman
Deputy Executive Account Director
NCTracks
CSRA

Dave Richard
Deputy Secretary for Medical Assistance
Division of Medical Assistance
N.C. Department of Health and Human Services

Paul Guthery
Executive Account Director
NCTracks
CSRA

Nancy Henley, MD
Chief Medical Officer
Division of Medical Assistance
N.C. Department of Health and Human Services

Desiree Elekwa-Izuakor, Pharm D, MBA, CPC-A
Outpatient Pharmacy Program Manager
Division of Medical Assistance
N.C. Department of Health and Human Services