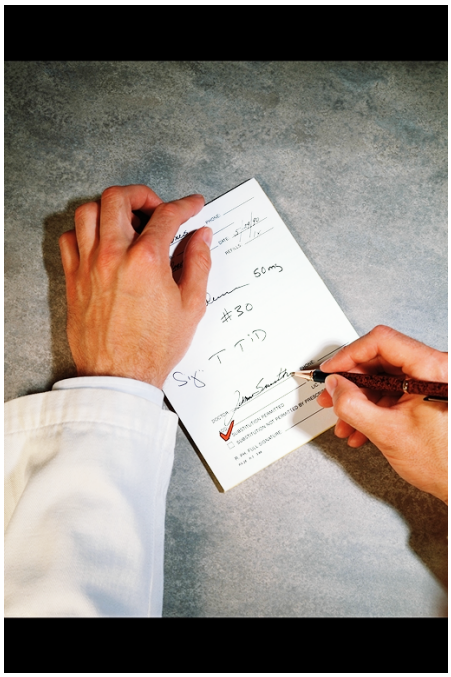
Pharmacy Program Notes

This bulletin notice provides information for **all providers** about changes to the Medicaid Pharmacy Program.

Change in Prescription Drug Billing for Medicare/Medicaid Beneficiaries



Effective March 1, 2003, pharmacies will be required to bill Medicare for those drugs covered by Medicare. All drugs covered by Medicare in an outpatient pharmacy setting must be submitted to Medicare as the primary insurer. ACS will routinely deny pharmacy claims for dual-eligible (Medicare and Medicaid) beneficiaries for Medicare-covered drugs.

There are several categories of drugs that are covered by Medicare for outpatients. These include, but may not be limited to:

1. Immunosuppressive agents for transplant recipients covered by Medicare;
2. Total Parenteral Nutrition;
3. Total Enteral Nutrition;
4. Oral Anti-Cancer Agents;
5. Oral Anti-Nausea Agents; and
6. Inhalation Drugs.

In order to file claims with Medicare, a pharmacy must be a Medicare DMEPOS supplier. Applications can be obtained by calling the toll free number 1-866-238-9652 or by accessing it on the internet at www.palmettogba.com and clicking on "forms" then clicking on CMS 855S Application Form. The form can be printed from the site.

As previously noted in the February 2002 Medicaid Provider Bulletin, the Division of Medicaid is providing this information to help providers prepare for this change in procedure; however, we are not able to handle the applications or answer specific questions about Medicare procedures. Any questions about Medicare and the DMEPOS supplier requirements should be directed to the National Supplier Clearing House at the toll free number 1-866-238-9652 or by accessing the Palmetto GBA web site at www.palmettogba.com.

Watch For Preferred Drug List

The Division of Medicaid, along with the Pharmacy and Therapeutics (P&T) Committee, has developed a Preferred Drug List (PDL) for use by physicians, nurse practitioners, and physician assistants. Please watch the mail for your copy of the PDL and more information about how to use this list.

Return of Unused Medications Policy

Effective March 1, 2003, the Division of Medicaid will not reimburse for medications in tamper-resistant packages that are prescribed for a resident of a long-term care (LTC) facility but are not dispensed to the resident. Such medication must be returned to the dispensing pharmacy and not billed to Medicaid.

Medications prescribed to a LTC facility resident are considered not dispensed if:

- The medication was discontinued prior to delivery to the resident;
- The resident expired prior to medication being delivered to the resident;
- The resident was in the hospital (on discharge status from the LTC facility) at time of delivery to the resident;
- Medication dosage was changed prior to delivery to the resident; or
- The resident had excess medications remaining from a previous delivery.

Medications in tamper-resistant packaging are those medications where:

- The multiple unit blister package is intact with no doses removed;
- The medications have been properly stored such that the integrity of the medication remains intact;
- The medication has been returned to the dispensing pharmacy via pharmacy personnel within five working days of the medication meeting any of the criteria for not being dispensed.

The LTC facility must have written procedures regarding return to the dispensing pharmacy of medications not dispensed to the resident. The dispensing pharmacy must approve, in writing, the LTC facility's return procedures to ensure that any returned medications have been properly stored and have not been tampered with. The dispensing pharmacy must maintain those procedures in its files. Written procedures must be available from both the LTC facility and the pharmacy upon request by DOM.

The LTC facility must maintain a log that properly documents the return of medication not dispensed to the resident for whom they were prescribed. The log must be available to DOM upon request. Documentation should include:

- Name;
- Strength of medication;
- Lot number(s);
- Expiration date;
- Date dispensed;
- Quantity dispensed;
- Date returned;
- Quantity returned; and
- Reason for return.

The dispensing pharmacy receiving the returned medication must file a void/adjustment of the original Medicaid claim from which the prescription was billed and reimbursement received, prorated to the quantity of the prescription returned. Documentation of the returned medications and the void/adjustment of the Medicaid claim must be maintained by the dispensing pharmacy and made available to DOM upon request. Documentation must include:

- Name;
- Strength of medication;
- Lot number(s);
- Expiration date;
- Date dispensed;
- Quantity dispensed;
- Date returned;
- Quantity returned;
- Reason for return;
- Copy of the claim, if applicable; and
- Copy of the Void/Adjustment Form for the claim.