



State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

Volume 11 No.09

February 2001

TO: Providers of Pharmaceutical Services

SUBJECT: Revised Policy for Prescription Coverage During an Interruption in POS Service

EFFECTIVE: Immediately

PURPOSE: To notify providers of pharmaceutical services of a revised State policy for dispensing fee-for-service (FFS) prescriptions to all beneficiaries during an interruption in Point-of-Sale (POS) service.

BACKGROUND: During interruptions in the State's POS claims processing system, pharmacists are unable to receive responses to pharmacy claims submitted for payment purposes. In order to ensure that services provided to FFS pharmacy beneficiaries are not interrupted, the State of New Jersey is revising its policy concerning prescription coverage during interruptions in POS service.

The decision by the Division of Medical Assistance and Health Services (DMAHS) to activate this policy will be based on how long DMAHS expects POS service to be interrupted. Since the specific length of time of an interruption cannot be determined in advance, DMAHS will notify providers of pharmaceutical services, via fax or email communication, when this policy is to be activated by the State. This Newsletter uses the term "sustained interruption" to refer to the period during which this policy will be activated.

It is important to note that periodically the State's POS system may experience "brief" interruptions in service which may require the pharmacists to resubmit their pharmacy claim(s). This revised policy shall not be activated during these "brief" interruptions in POS service. If pharmacists are not notified by the State of a "sustained" interruption in service, the interruption in POS service shall be considered a "brief" interruption.

ACTION: **Effective immediately**, the following revised policy shall apply to coverage of pharmacy services provided during a sustained interruption in POS service:

- The same policy shall apply to all Medicaid, General Assistance (GA), Pharmaceutical Assistance to the Aged and Disabled (PAAD), AIDS Drug Distribution Program (ADDP) and Cystic Fibrosis (CF) FFS pharmacy claims.
- All claims for original and refill prescriptions are payable for up to a 34 days supply or 100 dosage units, whichever is greater, if authorized by a prescriber.
- Prior authorization (PA) requirements shall not apply to pharmacy services provided during a sustained interruption in POS service, except as indicated below.

The State of New Jersey **shall not** reimburse any pharmacy, without prior authorization, for those drugs identified by the New Jersey Drug Utilization Review Board as causing a severe drug-drug interaction, if the interacting drugs were dispensed by the same pharmacy.

- The State will reimburse pharmacies for early refills and duplicate prescriptions resulting from services provided by another pharmacy during a sustained interruption in POS service.
- Pharmacists are responsible for early refills and duplicate prescriptions dispensed by their own pharmacy. **Therefore, early refill and duplicate prescriptions dispensed by the same pharmacy shall be subject to recoupment by the State of New Jersey.**
- When a sustained interruption in POS service may cause payments to be delayed (for example, the 3:00 P.M. cutoff for claims adjudication on Fridays causes insufficient time for claims to be resubmitted due to the interruption in service) every effort will be made to delay this cutoff time. However, the ability to delay is dependent on scheduling limitations at Unisys.

Please post the attached Notice in your pharmacy for reference during an interruption in POS service.

If you have any questions concerning this revised policy, please contact the Chief, Pharmaceutical Services, DMAHS at (609) 588-2724.

**RETAIN THIS NEWSLETTER NUMERICALLY BEHIND THE NEWSLETTER TAB
(BLUE TAB MARKED "5")**

STATE OF NEW JERSEY

INTERRUPTION IN POINT-OF-SALE (POS) SERVICES
REVISED CONTINGENCY PLAN

*****IMPORTANT NOTICE*****

PLEASE POST

- THIS CONTINGENCY PLAN SHALL APPLY TO ALL FEE-FOR-SERVICE (FFS) MEDICAID, GENERAL ASSISTANCE (GA), PHARMACEUTICAL ASSISTANCE TO THE AGED AND DISABLED (PAAD), AIDS DRUG DISTRIBUTION PROGRAM (ADDP), AND CYSTIC FIBROSIS (CF) PHARMACY CLAIMS.
- PHARMACISTS MUST CONFIRM ELIGIBILITY BY REVIEWING THE ELIGIBILITY I.D. CARD OR CONTACTING THE RECIPIENT ELIGIBILITY VERIFICATION SYSTEM (REVS) AT 1-800-676-6562.
- A COPY OF THE ELIGIBILITY I.D. CARD OR LETTER MAY BE REQUIRED IF ELIGIBILITY CANNOT BE CONFIRMED TO REQUEST A “GOOD FAITH” PAYMENT.
- CLAIMS FOR ORIGINAL PRESCRIPTIONS ARE PAYABLE FOR UP TO 34 DAY SUPPLY. CLAIMS FOR REFILL RX ARE PAYABLE FOR UP TO 34-DAY SUPPLY OR 100 DOSAGE UNITS, WHICHEVER IS GREATER, IF AUTHORIZED BY A PRESCRIBER.
- PHARMACISTS ARE RESPONSIBLE FOR EARLY REFILLS AND DUPLICATE PRESCRIPTIONS DISPENSED BY THEIR OWN PHARMACY. IN THE EVENT THAT EARLY REFILLS OR DUPLICATE PRESCRIPTIONS SUBMITTED BY THE SAME PHARMACY DURING A SUSTAINED INTERRUPTION ARE PAID, DMAHS WILL INSTITUTE RECOVERY PROCEDURES SUBSEQUENT TO THE RESTORATION OF POS SERVICE.
- THE STATE WILL REIMBURSE PHARMACIES FOR EARLY PRESCRIPTION REFILLS AND DUPLICATE PRESCRIPTIONS PROVIDED BY ANOTHER PHARMACY.
- PRESCRIPTIONS ARE NOT SUBJECT TO PRIOR AUTHORIZATION, EXCEPT AS FOLLOWS:

THE STATE OF NEW JERSEY SHALL NOT REIMBURSE ANY PHARMACY, WITHOUT PRIOR AUTHORIZATION, FOR THOSE DRUGS IDENTIFIED BY THE NJDURB AS CAUSING A SEVERE DRUG-DRUG INTERACTION, IF THE INTERACTING DRUGS WERE DISPENSED BY THE SAME PHARMACY.

AFTER POS SERVICE IS RESTORED, PHARMACISTS SHOULD SUBMIT CLAIMS WHICH COULD NOT BE PROCESSED DURING THE INTERRUPTION IN POS SERVICE *DURING OFF-PEAK HOURS*. THIS WILL ALLOW ALL PHARMACIES TO RECEIVE TIMELY RESPONSES TO ROUTINE CLAIMS SUBMITTED IMMEDIATELY AFTER SERVICE HAS BEEN RESTORED.