



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

NEWSLETTER

Volume 11 No. 13

February 2001

TO: Providers of Pharmaceutical Services - **For Action**
Health Maintenance Organizations - **For Information Only**

SUBJECT: **Medicare-Covered Prescription Drugs**

EFFECTIVE: Medicaid claims with service dates on or after March 1, 2001

PURPOSE: (1) To reiterate a policy change concerning Medicaid coverage of Medicare-covered prescription drugs.
(2) To provide providers of pharmaceutical services a listing of those Medicare-covered prescription drugs which must be billed to Medicaid as medical supply services under HCPCS procedure codes.

BACKGROUND: Certain prescription drugs and diabetic materials covered by the Medicaid, and NJ FamilyCare fee-for-service (FFS) programs are eligible for reimbursement by the Medicare program as medical supply services. When these services are provided to Medicare beneficiaries who are also eligible for Medicaid and NJ FamilyCare, the Medicaid and NJ FamilyCare FFS programs will pay the deductibles and coinsurance amounts up to the Medicaid or NJ FamilyCare FFS program fee allowance for these claims under J-Codes.

IMPORTANT NOTE: The Medicaid Newsletters Volume 10, No. 54, dated July 2000, Volume 10, No. 65, dated September 2000, and Volume 10, No. 79, dated October 2000, notified providers of pharmaceutical services of this new Medicaid policy and billing procedures concerning coverage and reimbursement for Medicare-covered prescription drugs.

ACTION: Effective for Medicaid claims with service dates on or after March 1, 2001, the following Medicare-covered drugs must be billed to Medicaid under the HCPCS procedure codes listed in the attached list.

If you have any questions concerning this Newsletter, please do not hesitate to contact the Chief, Pharmaceutical Services, DMAHS, at (609) 588-2721.

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