



MONTHLY NEWSLETTER

NEW NEWSLETTER FORMAT

The Division of Medical Assistance and Health Services (DMAHS) is issuing its Monthly Newsletter for September 2004. As you can see, the format of the Newsletter is changing to develop a better way to communicate with providers. In addition, DMAHS is introducing a new "Medicaid News" section for communicating important information in a brief and concise way.

Going forward, DMAHS will be communicating most information in this format. However, should the need arise, DMAHS will issue separate newsletters to discuss certain policy issues.

For your convenience, please find attached a Telephone Directory for the Division's Office of Utilization Management (OUM). OUM staff are available to discuss policy matters with providers. The Directory also includes contact information for the Department of Health and Senior Services (PAAD and Senior Gold), the First Health Services Corporation (pharmacy prior authorization) and Unisys (claims processing). Providers are advised that staff in the Division's Medical Assistance Customer Centers (MACCs) are also available to discuss access and/or quality of care concerns.

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NJ MEDICAID NEWS

NEW PAYMENTS FOR E & M CODES

New Jersey's DMAHS has implemented a policy change to allow Medicaid/NJ FamilyCare fee-for-service (FFS) reimbursement for Evaluation and Management (E & M) procedures billed in an independent clinic by a psychiatrist.

CPT procedure codes that are affected include 99201 ZI to 99205 ZI and 99211 ZI to 99215 ZI for service dates on or after January 1, 2003 and prior to April 1, 2004.

On or after April 1, 2004, these CPT procedure codes should be replaced with 99201 UC to 99205 UC and 99211 UC to 99215 UC, respectively.

'UC' is the new HIPAA compliant modifier used to report clinic services.

These E & M codes and CPT 90862 ZI or CPT 90862 UC may be billed with the same service date when billing for medication management.

The administration fee for injectable drugs has not changed.

JUST TO LET YOU KNOW...

Providers may access up-to-date information about Medicaid/NJ FamilyCare FFS policies by logging on to the Division of Medical Assistance and Health Services webpage at www.state.nj.us/humanservices/dmahs/index.html and clicking on *Eligibility and Service Manuals*.

DENTISTS GAIN ACCESS TO AMBULATORY SURGICAL CENTERS

Dentists who need anesthesia for their Medicaid patients may now utilize Ambulatory Surgical Centers (ASCs). ASCs may bill the Level 1 CPT code 41899 52 when either one or all of the following services are provided under general anesthesia; oral evaluation and examination, diagnostic services, prophylactic and/or fluoride treatment.

Level 2 CPT Code 41899 may be billed when all other dental services are provided under general anesthesia.

In general, surgery is limited to 90 minutes with maximum recovery times of 4 hours.

In an ASC, a dentist must bill separately for those services provided during anesthesia and the anesthesia must be administered by an anesthesiologist.

NEW PA ALLOWANCES FOR MANDATORY GENERIC SUBSTITUTION

In response to physician concerns, DMAHS has changed its authorization policy for mandatory generic substitution to allow 12 month authorizations. Prior to this change, PA numbers for brand-name drugs were limited to 6 months. Now, authorizations may be provided for billing up to 12 months. This is an across-the-board policy change applying to all State administered prescription drug programs.

PA numbers will be issued by First Health Services after justification for brand-name drug use has been accepted by DMAHS.

DMAHS believes this program will assist providers in meeting the requirements of the substitution program as well as encouraging the use of cost-effective drug substitutions.

**Pharmaceutical Services Manual (N.J.A.C. 10:51):
 Additions and deletions; Medicaid and NJ FamilyCare drug rebate programs
 “Manufacturers’ Labeler Code List (APPENDIX F)”;** CMS Release # 130

ADDITIONS: The Manufacturers’ Labeler Codes listed below were **added** to the New Jersey Medicaid and the NJ FamilyCare fee-for-service programs as of the indicated effective date:

<u>MANUFACTURER</u>	<u>LABELER</u>	<u>EFFECTIVE DATE</u>
Delta Pharmaceuticals, Inc.	53706	April 1, 2004
Neil Laboratories, Inc.	60242	July 1, 2004
Baxter Healthcare Corporation	60977	February 17, 2004
Amkas Laboratories, Inc.	61073	April 1, 2004
Guilford Pharmaceuticals	61379	February 25, 2004
Grifols Biologicals, Inc.	61953	March 15, 2004
Nnodum Corporation	63044	April 1, 2004
Synthon Pharmaceuticals, Inc.	63672	February 13, 2004
Purdue Products, L.P.	67618	February 27, 2004
Vertical Pharmaceuticals, Inc.	68025	February 24, 2004
Lupin Pharmaceuticals, Inc.	68180	March 2, 2004
Vistakon Pharmaceuticals, LLC	68669	April 8, 2004

DELETIONS: The Manufacturers’ Labeler Code listed below will be **deleted** from the New Jersey Medicaid and the NJ FamilyCare fee-for-service programs. Drugs manufactured by the manufacturer **will not be reimbursed** by Medicaid or NJ FamilyCare fee-for-service as of the indicated date:

<u>MANUFACTURER</u>	<u>LABELER</u>	<u>EFFECTIVE DATE</u>
Novartis Pharmaceuticals Corporation	00058	July 1, 2004
Schering Corporation	00369	July 1, 2004
Scot-tussin Pharmacal Co., Inc.	00372	July 1, 2004
Muro Pharmaceutical, Inc.	00451	April 1, 2004
Bertek Pharmaceuticals, Inc.	00514	July 1, 2004
DSC Laboratories Div Dsc Products, Inc.	52316	July 1, 2004
RIJ Pharmaceutical Corporation	53807	July 1, 2004

<u>MANUFACTURER</u>	<u>LABELER</u>	<u>EFFECTIVE DATE</u>
Novartis Pharmaceuticals Corporation	57267	July 1, 2004
Nastech Pharmaceutical Company, Inc.	57459	July 1, 2004
Novartis Pharmaceuticals Corporation	58887	July 1, 2004
AstraZeneca, LP	61113	July 1, 2004
Heartland Services	61392	July 1, 2004
Gynetics	63955	July 1, 2004
Women First Health Care	64248	July 1, 2004
Reddy Pharmaceuticals	67857	July 1, 2004

NOTE: The Medicaid, PAAD and Senior Gold Prescription Discount programs **are not related**. Unlike Medicaid, the PAAD program and the Senior Gold Prescription Discount program cover only legend drugs, diabetic testing supplies and insulin. Medicaid, PAAD and Senior Gold program coverage of specific drug products may be different, based on drug-manufacturer participation in the Medicaid, PAAD and Senior Gold Drug Rebate programs.

Pharmaceutical Services Manual (N.J.A.C. 10:51):
Additions/changes to PDUR standards per the New Jersey Drug Utilization Review Board meeting in October 2003

EFFECTIVE: State Pharmacy Benefit claims with service dates on or after January 1, 2004

Maximum Daily Dosage Standards (Error Code 535):

Except for Cialis (Tadalafil) and Levitra (Vardenafil), prior authorization shall be required when these maximum daily dosage standards are exceeded. These additional standards are described in the following table.

Drug Name	Maximum Daily Dosage
Cialis*	4 treatments in 30 days
Crestor	40 mg
Iressa	250 mg
Levitra*	4 treatments in 30 days
Pravigard	80 mg

***Note:** Based on State policy, the maximum daily dosage standard for these drugs is 4 treatments in 30 days. When this standard is exceeded, Error Code 538 will deny payment.

Severe Drug-Drug Interactions

Prior authorization is required when these standards are exceeded.

Drug	Drug	Min. Age
Levitra	Nitrates	18
Cialis	Nitrates	18
Reyataz	Proton Pump Inhibitors	18
Reyataz	Calcium Channel Blockers	18
Reyataz	Vascor	18
Reyataz	Rifadin	18
Reyataz	Viagra	18
Reyataz	Levitra	18
Reyataz	Cialis	18
Reyataz	Camptosar	18
Reyataz	Lovastatin	18
Reyataz	Zocor	18
Reyataz	Crixivan	18

Therapeutic Duplication

Anti-impotency drugs -- Prior authorization required when standard is exceeded.

Gender Restriction

Levitra and Cialis -- male use only.

Additional Exemptions to Mandatory Generic Substitution Requirements

Antipsychotics

Antidepressants

Pharmaceutical Services Manual (N.J.A.C. 10:51): Notification of Medicaid drug federal upper limit of payment for Maximum Allowable Cost (MAC) drugs (Appendix B)

EFFECTIVE: State Pharmacy Benefit claims with service dates on or after June 27, 2004

ADDITIONS

Baclofen 10mg, 100	\$0.4492 B
Baclofen 20mg, 100	\$0.8438 B
Dimetane DX, Generic, 480ml	\$0.0168 B
Erythromycin Topical Gel 2%, 30gm	\$0.6250 B
Erythromycin Ophthalmic Oint., 0.5%	\$0.9643 B
Hydrochlorothiazide 25mg, 1000	\$0.0577 R
Hydrochlorothiazide 50mg, 1000	\$0.1019 R
Sotalol HCl 80mg, 100	\$1.7850 B
Sotalol HCl 120mg, 100	\$2.3350 B
Sotalol HCl 160 MG, 100	\$2.9200 B
Sotalol HCl 240 MG, 100	\$3.9750 B

CHANGES

<u>Drug</u>	<u>New Price</u>
Fluoxetine HCl 20mg, 100	\$0.2520 B
Doxycycline Hyclate Base 50mg, 50	\$0.1125 R
Doxycycline Hyclate Base 100mg, 50	\$0.1491 B
Isosorbide Dinitrate 5mg, 100	\$0.0217 R
Isosorbide Dinitrate 10mg, 100	\$0.0228 R
Isosorbide Dinitrate 20mg, 100	\$0.0558 B
Methocarbamol 500mg, 100	\$0.1463 B

DELETIONS

- Amoxicillin 250mg Capsule, 100
- Erythromycin 250mg, Delayed Release, 100
- Nifedipine 10mg, 100
- Nystatin 100,000 Units/ml, 60 ml
- Pentoxifylline 400mg, Extended Release, 100

Physician Services Manual (N.J.A.C. 10:54)

Freestanding ESRD Centers (N.J.A.C. 10:66)

Updates to HCPCS procedure codes and maximum fee allowances for ESRD-related services

- EFFECTIVE:**
- (1) Additions effective for claims with dates of service on or after January 1, 2004
 - (2) Deletions effective for claims with dates of service on or after July 1, 2004

DELETIONS

90918	90922
90919	90923
90920	90924
90921	90925

REPLACEMENT CODES

<u>HCPCS CODE</u>	<u>MAXIMUM FEE ALLOWANCE</u>
G0308	\$343.00
G0309	\$286.00
G0310	\$229.00
G0311	\$232.00
G0312	\$194.00
G0313	\$155.00
G0314	\$204.00
G0315	\$170.00
G0316	\$136.00
G0317	\$128.00
G0318	\$107.00
G0319	\$86.00
G0320	\$286.00
G0321	\$170.00
G0322	\$194.00
G0323	\$107.00
G0324	\$10.00
G0325	\$6.00
G0326	\$7.00
G0327	\$5.00

CENTER BASED DIALYSIS

- In addition to HCPCS G0308 through G0319, providers may bill CPT procedures 09035 through 90947.
- Reimbursement is for the entire month, based on the number of visits provided by the physician or advanced practice nurse each month (1, 2-3, or ≥ 4).
- Hospitalization does not affect payment of the monthly fee if dialysis is continued, regardless of an outpatient or inpatient setting.
- Providers can be paid if a patient was traveling for less than the full month.
- The billing physician must provide a complete assessment or updates to the patient's plan of care monthly. Only one MCP is allowed per beneficiary per calendar month, regardless of the number of physicians involved in the patient's care.
- All visits must be face-to-face
- "Rounding" practitioners may perform allowable visits
- Visits by residents and fellows are non-billable.
- Split or shared visits are permissible only if the participants belong to the same practice or are employed by the same employer.

HOME DIALYSIS

- In addition to HCPCS G0324 – G0327, providers may bill CPT procedures 09035 through 90947.
- Reimbursement is based on full month or dates of service



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

OFFICE OF UTILIZATION MANAGEMENT
(OUM)

<u>DENTAL</u>	588-7140
<u>DRUG REBATE</u>	588-4611
<u>DURABLE MEDICAL EQUIPMENT (Wednesday)</u>	588-4624
<u>GENERAL ASSISTANCE & MEDICAL POLICY (WFNJ-GA)</u>	588-2662
<u>HOSPICE</u>	588-2458
<u>LABORATORY CONSULTANT</u>	588-2730
<u>MATERNAL & CHILD HEALTH SERVICES</u> <u>EPSDT / PDN</u>	588-2731
<u>NON-INSTITUTIONAL SERVICES</u>	588-2721
<u>MENTAL HEALTH</u>	588-2740 or 631-4685
<u>ORTHOTICS & PROSTHETICS (Thursday)</u>	588-7368
<u>PHARMACY/DUR</u>	588-2744
<u>PODIATRY (Tuesday)</u>	588-2538
<u>TRANSPORTATION</u>	631-4636
<u>VISION CARE</u>	588-2777

OTHER

<u>FIRST HEALTH SERVICES CORPORATION</u> <u>(Customer Service)</u>	(877) 266-3589
<u>FIRST HEALTH SERVICES CORPORTION</u> <u>(Prior Authorization)</u>	(877) 888-2939
<u>PAAD, ADDP, or CF PROGRAMS</u>	(609) 631-4887
<u>Unisys</u>	(800) 776-6334

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