



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

# NEWSLETTER

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**TO:** Providers of Pharmaceutical Services, Physicians, Advanced Practice Nurses, Nurse Midwives - **For Action**  
Health Maintenance Organizations - **For Information Only**

**SUBJECT:** **Final Transition Phase for Medicare Part D Prescription Drug Coverage for Dual Eligible Beneficiaries**

**EFFECTIVE:** Immediately

**PURPOSE:** The purpose of this newsletter is to notify providers of pharmaceutical services that the New Jersey Division of Medical Assistance and Health Services (DMAHS) will begin the final phase of a process to transition Medicaid clients who also are Medicare beneficiaries (dually eligible) to Medicare Part D drug benefit coverage.

**BACKGROUND:** The Medicare Modernization Act required that Medicaid clients who also are Medicare beneficiaries sign up with a Prescription Drug Plan (PDP) by January 1, 2006 in order to receive the benefits of Part D Prescription Drug coverage. Going forward, all Medicaid clients, upon determination of Medicare eligibility, must enroll in a PDP.

Since January 1, 2006, the Division has taken steps to ensure that all clients who are dually eligible experience uninterrupted drug benefit coverage. Further, in order to keep the cost down for its dually eligible population, the State committed to reimbursing providers of pharmaceutical services Medicare Part D. (NJ FamilyCare/Medicaid beneficiaries will continue to have their copayment (\$1/\$3 or \$2/\$5) paid by the State.)

In order to fully comply with the Centers for Medicare and Medicaid Services (CMS) requirements, this final phase will complete the transition to Medicare Part D by identifying those who are dually eligible at the earliest opportunity. Once a Medicaid client is *determined eligible* for Medicare Part D, the client will be required to receive his or her drug benefits through Medicare Part D.

The Division recently made an enhancement to the pharmacy claims processing system which will determine eligibility for Part D coverage. It is possible that this determination will supersede evidence of PDP enrollment. Because evidence of PDP enrollment could be superseded, the pharmacist must ask the client about his or her PDP enrollment or must use the CMS Point of Service Facilitated Enrollment Process administered by Anthem.

**ACTION:** Effective for claims with service dates on or after November 21, 2006, Error Code 2043, "Recipient eligible for Medicare Part D," will accompany a denial of payment of pharmacy claims for Medicare Part D covered drugs when a Medicaid beneficiary is determined eligible for Medicare.

If the beneficiary presents at the pharmacy with a Medicaid card and the claim was denied for Error Code 2043, the pharmacy should send an E1 query to determine Part D enrollment. If the E1 query returns a 'no match' response, the pharmacy should submit the claim to Anthem). This will allow the prescription to be filled and will begin the process of enrolling the dually-eligible client in a Part D plan.

Pharmacies will have to submit the client's Medicare ID number (known as the HICN), as well as the Medicaid ID number. Both numbers are critical to rapid verification of dual eligibility.

The Anthem Prescription Pharmacy Help Desk may be contacted at (800) 662-0210 to request further assistance.

NJ FamilyCare/Medicaid will continue to process claims for drugs excluded from Part D plans; for example, benzodiazepines, barbiturates and certain vitamins.

If providers have any questions, they may contact the NJ FamilyCare/Medicaid Hotline at 1-800-356-1561.

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