



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

NEWSLETTER

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TO: Providers of Pharmaceutical Services - **For Action**
Health Maintenance Organizations, Long-Term-Care Pharmacy Providers –
For Information Only

SUBJECT: **MEDICARE PART D CO-PAYMENTS**

EFFECTIVE: IMMEDIATELY

PURPOSE: The purpose of this Newsletter is to remind pharmacies of the State of New Jersey's co-payment responsibilities for prescription drugs for full-benefit dual eligibles, that is, NJFC/Medicaid beneficiaries with Medicare coverage.

BACKGROUND: The New Jersey Division of Medical Assistance and Health Services (DMAHS) continues to cover the cost of co-payments for full-benefit dual eligibles. Pharmacies are familiar with the process of submitting a secondary claim to the Unisys to request reimbursement for these co-payments. Pharmacies **cannot** collect any co-payments from full-benefit dual eligibles when dispensing prescriptions.

The co-payment responsibilities of the State may be different based on a full-benefit dual eligible's Low Income Subsidy (LIS) Level, as assigned by the Medicare Part D program. As of January 1, 2009, the Part D co-payments are \$1.10/\$3.20 and \$2.40/\$6.00 based on generic/brand-name drug use. LIS levels determine the applicable co-payment amount for a full-benefit dual eligible.

ACTION:

- If Error Code 2017 posts to a pharmacy claim, the State beneficiary is a full-benefit dual eligible and is eligible for Medicare Part D prescription drug coverage. The pharmacy has to submit the claim to the PDP first before requesting co-payment reimbursement from the State. Pharmacies should perform an **E1 query** to access PDP eligibility information. **Pharmacies should contact their software vendor or pharmacy help desk to learn more about accessing their E1 query option.**
- Pharmacies may verify a beneficiary's eligibility for PDP prescription drug coverage by calling **866-835-7595**, Mon.-Fri. 8AM to 8PM EST or by calling **1-800-MEDICARE**.
- If a PDP reports to a pharmacy the incorrect co-payment amount based on the assigned LIS level, **Error Codes 2030 or 2031** will post in the secondary claim response received from Unisys and the claim payment will be denied. In these situations, the pharmacy must contact the PDP to verify the LIS level on file. A LIS level of '1' relates to a co-payments of \$2.40/\$6.00. A LIS level of '2' relates to co-payments of \$1.10/\$3.20.
- If, after verifying the LIS level, the State claim continues to deny, pharmacies may contact the NJ Medicaid hotline at 800-356-1561 for further assistance in resolving these issues.
- Co-payments determined by third party liability (TPL) plans, other than PDPs, are also eligible for payment by the State of New Jersey.

Do not contact the State of New Jersey or Unisys Provider Services with questions regarding accessing programs in your pharmacy practice management system. Please contact your software vendor or pharmacy help desk for this information.

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