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Newsletter

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

SUBJECT: **Proper Reporting of Other Insurance Payments and Patient Paid Amounts on Pharmacy Claims Paid by Other Insurance or Medicare Part D**

PURPOSE: To notify providers that the State of New Jersey requires pharmacies to report the Other Payer Amount and the Patient Paid Amount on all pharmacy claims when there are third party payment responsibilities for pharmacy claims.

EFFECTIVE: Claims with service dates on or after July 1, 2009

Background: In a prior Newsletter, Volume 19, No. 11, the Division discussed the reporting requirements for Other Insurance Claims **other than Part D** and introduced the new Error Code 2096 "Other Carrier Amount Meets or Exceeds Payable." **The Error Code description was recently changed to "Patient Paid Amount Unknown."** Three reasons exist for denying a claim payment with Error Code 2096.

- **The Patient Paid Amount field (433-DX) is missing.**
- The Other Payer Amount field (431-DV) is greater than zero and the Other Payer Amount Paid Qualifier (342-HC) is equal to '08'. In this situation, the State expects to receive a copayment request and none was reported.
- The Other Coverage Code (308-C8) is equal to '08' and the Patient Paid Amount field (433-DX) is equal to '0'. In this situation, there is a 100% patient payment liability and the reported Patient Paid Amount is zero.

The purpose of this Newsletter is to announce the launching of a similar Error Code **for Medicare Part D claims only**.

Action: Effective for claims with service dates on or after July 1, 2009, Error Code 2110, "Part D Patient Paid Amount Unknown" shall deny claim payments for reasons described below.

- **The Patient Paid Amount field (433-DX) is missing.**
- The Other Payer Amount field (431-DV) is greater than zero and the Other Payer Amount Paid Qualifier (342-HC) is equal to '08'. In this situation, the State expects to receive a copayment request and none has been reported.
- The Other Coverage Code (308-C8) is equal to '08' and the Patient Paid Amount field (433-DX) is equal to '0'. In this situation, there is a 100% patient payment liability and the reported patient paid amount is zero.

Internal audits conducted by the State have determined that pharmacies are entering incorrect values in required fields for processing other insurance claims, including Medicare Part D, causing pharmacies to be overpaid.

Any claim processed by other insurance or Medicare Part D will be denied payment if the 433-DX field is not properly valued or is missing from a pharmacy claim involving other insurance payments. Payments for these claims will be denied by Error Codes 2096 or 2110, respectively.

Pharmacies are reminded that the NJ FamilyCare (NJFC)/Medicaid, Work First NJ (WFNJ)/General Assistance program, Pharmaceutical Assistance to Aged and Disabled (PAAD), and Aids Drug Distribution Program (ADDP) are always the payers of last resort.

Also, NJFC/Medicaid and WFNJ/GA beneficiaries receive their pharmacy benefits at no cost and shall not be balanced billed for these services.

If any questions regarding this Newsletter, please contact Unisys Provider Services at (800) 776-6334.

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