



Newsletter

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TO: Providers of Pharmaceutical Services – **For Action**
Nursing Facility Providers, Assisted Living Residences, State
Psychiatric Hospitals, Intermediate Care (State) Facilities (ICF-
MRs), Physicians, Podiatrists, Optometrists, Health Maintenance
Organizations – **For Information Only**

SUBJECT: **Expansion of the Medical Exception Process in Long Term
Care**

EFFECTIVE: Claims with service dates on or after July 10, 2012

PURPOSE: To notify prescribers, providers of pharmaceutical services, nursing facility providers and Assisted Living Residences (ALRs) of a decision by the New Jersey Division of Medical Assistance and Health Services (DMAHS) and the Department of Health (DOH) to expand the application of the Medical Exception Process (MEP) to include additional drug utilization review (DUR) standards for prescription services provided to New Jersey FamilyCare/Medicaid and Pharmaceutical Assistance for the Aged and Disabled (PAAD) beneficiaries residing in Long Term Care (LTC) facilities and ALRs, as well as residents in State institutions.

BACKGROUND: DMAHS and DOH are expanding the application of the State's MEP to include additional DUR standards. Current DUR standards applied in LTC and ALRs include severe drug-drug interactions; prior authorization for brand-name drug use; first fill DUR standards; duplicate HIV drug standards; pain management standards; and prior authorization for methadone utilization.

The MEP is a prior authorization (PA) process based solely on a determination of medical necessity and appropriateness. The MEP is not intended to influence drug product selection by prescribers.

The MEP is administered by Molina Medicaid Solutions (aka 'Molina'). Molina is responsible for requesting justifications from prescribers for dispensing prescription drugs when DUR standards are not met. As part of this process, the State's point-of-

sale (POS) claims processing system will advise pharmacists when a DUR standard is not met by a transmitted prescription claim. Depending on the type of standard, the LTC pharmacist may be required to contact Molina to request PA. Molina will request the pharmacist to provide beneficiary, prescriber and prescription information.

When a DUR standard is not met, the pharmacist is required to contact Molina Medicaid Solutions **prior to a drug being dispensed to a LTC beneficiary**. If a drug could result in a serious drug-related problem, the pharmacy claim is denied by the State. In these situations, Molina may prior authorize the service when it has been determined that continuation of the drug is appropriate for the LTC or ALR beneficiary. The prescriber and the pharmacist will be notified of these PA decisions. **It is important to note that dispensing medications prior to completing the claim adjudication process may result in unpaid claims and possibly placing patients at risk.**

ACTION: Effective for claims with service dates on or after July 10, 2012, the State shall expand application of the MEP to include additional DUR standards for LTC and ALRs. These **additional DUR standards** are listed in the Table below:

Error Code	DUR Standard
0403	Dosage duration standard not met
0404	Duration standard not met – possible cutback
0405	Possible therapeutic class duplication
0447	Daily acetaminophen dosage standard not met
0535	Daily dosage standard for inhaler use not met
0537	Daily drug quantity standard not met/PA required
0869	Drug-drug conflict – non-severe
2007	PA required – Non-specific
2100	Maximum daily dosage standard not met
2111	Cough and cold product not covered
0830	Early refill – same pharmacy

Please note that Fields 504-F4 and 526-FQ in the D.0 Response Transaction will return the 4-digit MEP Error Code(s) and the telephone number for contacting the MEP Unit. In addition, NCPDP Rejection Code '75' will be returned in Field 'FB' in the AM-21 Segment of the NCPDP Response Transaction for claims denied by Error Code 423 indicating the need for MEP prior authorization.

To request MEP prior authorization, Molina Medicaid Solutions may be contacted during normal business hours between 8:00 AM and 5:00 PM by calling 1-877-888-2939. MEP pharmacists are on call after business hours, on weekends and holidays, to process emergency PA requests.

To request emergency PA, pharmacists must contact the MEP On-Call Service at 1-866-378-8251. In situations where the MEP On-Call Service is unavailable, the pharmacy may dispense up to a six (6) days supply of medication without prior authorization. The six (6) days supply allowance does not apply to severe drug-drug interactions. However, after the emergency supply of medication has been used, prior authorization will be required for dispensing additional medication.

For PAAD beneficiaries, emergency supplies of medications must be processed through the On-Call Service. A six (6) days supply of medication without prior authorization will be denied payment by PAAD.

Prior authorizations processed by Molina Medicaid Solutions will be immediately available to the claims processing system.

LTC pharmacy providers are required to report the seven (7) digit Medicaid Provider Number of the nursing facility or State institution as the Facility-ID in Field 336-8C in the NCPDP version D.0 claim transaction, as well as the Facility Name in Field 385-3Q. LTC pharmacy providers shall continue to report the appropriate Patient Residence Code value in Field 384-4X (i.e. '3' = Nursing Facility; '4' = Assisted Living).

If you have any questions regarding this Newsletter, please contact Molina Medicaid Solutions (formerly Unisys) at 1-800-776-6334.

If you have any questions concerning PAAD, please contact the PAAD Pharmacy Consultant at (609) 588-7034.

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