

**TO:** Providers of Pharmaceutical Services

**SUBJECT:** Approved Telecommunication Systems for the On-Line Point-Of-Sale (POS)/Prospective Drug Utilization Review (PDUR) Claims Processing System

**EFFECTIVE:** Immediately

**BACKGROUND:** In the Medicaid Newsletter, Volume 6, No. 10, dated March 1996, pharmacies were notified of the intentions of the New Jersey Division of Medical Assistance and Health Services (DMAHS) to implement a State-operated POS/PDUR claims processing system for all pharmacy claims, with the exception of certain programs. The State will process claims through a POS/PDUR system without additional charge to pharmacies that choose to participate in this system. However, pharmacies will experience either a direct or indirect claim transaction charge for the cost of services provided by a telecommunications system, or "switch," selected by a pharmacy, or contracting billing service.

It is important to note the intentions of the State to process all paper and Electronic Media Claims (EMC) on tape, diskette, or through modem, except for certain nursing facility claims, in a "prospective" claims processing environment. Pharmacies shall be notified regarding the implementation of this change in claims processing in a subsequent Medicaid Alert.

Those pharmacies choosing not to participate in the new system may experience unanticipated denials in claim payments.

The purpose of this Newsletter is to notify pharmacies regarding (1) those telecommunication systems approved, or pending approval by the New Jersey Division of Medical Assistance and Health Services; and (2) the anticipated date for terminating the availability of eligibility information to Blue Cross/Blue Shield of New Jersey.

**ACTION:**

1) The following telecommunication systems have fully executed agreements with the New Jersey Division of Medical Assistance and Health Services to process pharmacy claims, and are completing the testing phase for the approval of their system by the State:

National Data Corporation (NDC)  
MediAmerica, Incorporated  
Timeshare  
Envoy

Pharmacies should anticipate being contacted by the approved telecommunication systems soliciting their participation in the State-operated POS/PDUR claims processing system.

2) The anticipated date for terminating the availability of eligibility information to Blue Cross/Blue Shield of New Jersey is on or about August 30, 1996. This change is not intended to reflect the decisions of Blue Cross/Blue Shield of New Jersey regarding continuation of their services.

**It is important to note** the intentions of the State to closely monitor pharmacy participation in the approved telecommunication system to ensure a smooth transition to the new claims processing system.

If you have any questions regarding this Newsletter, please contact the Unisys Provider Help Desk at (609) 588-6113 for technical support, or the Chief, Pharmaceutical Services, at (609)588-2724 regarding policy matters.

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