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Newsletter

Volume 7 No. 52

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TO: Providers of Pharmaceutical Services

SUBJECT: Prescription Coverage During POS Service Interruptions

EFFECTIVE: Immediately

PURPOSE: To notify providers of pharmaceutical services of reimbursement policies for prescriptions covered by Medicaid, General Assistance (GA), the AIDS Drug Distribution Program (ADDP), the Cystic Fibrosis (CF) program and the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program when service provided by the State's Point of Sale (POS) claims processing system is interrupted.

BACKGROUND: At times, unanticipated interruptions may occur in the pharmacy POS claims processing system. During these periods, the New Jersey Division of Medical Assistance and Health Services (DMAHS) and the New Jersey Department of Health and Senior Services (DHSS) are concerned that prescription services may be withheld from State beneficiaries due to providers' concerns regarding the payment status of a pharmacy claim(s).

In order to minimize these concerns, DMAHS and DHSS have developed drug coverage policies designed to ensure that beneficiaries receive prescribed medications and pharmacies receive reimbursement for services rendered to eligible State beneficiaries when service by the State's POS claims processing system is interrupted. **Please be assured that these pharmacy services will be honored by the State when provided in accordance with these policies.**

When the POS system is inoperational, pharmacies may batch pharmacy claims using the NCPDP Version 3.2 format and submit these claims via the switches (see #3 below). An alternative method is to use UNISYS Electronic Media Claim (EMC) claim format and transmit these claims to UNISYS by modem, diskette, or tape.

ACTION: **Effective immediately**, the following policy has been established by **DMAHS** for coverage of prescriptions when provided to **Medicaid and General Assistance (GA) beneficiaries** during an interruption in POS service:

1. The quantity of prescription drug dispensed must not exceed a **five (5)**-day supply.

Note: The State will reimburse providers for an entire pharmaceutical package when the package provides more than a five (5)-day supply and cannot be “broken” to provide a five (5)-day supply.

2. Pharmacists must confirm Medicaid or GA program eligibility by: (a) reviewing the respective eligibility card/letter, or (b) contacting the Recipient Eligibility Verification System (REVS) at 1-800-676-6562. If eligibility cannot be confirmed, pharmacists should follow the “good faith” guidelines as described in the Medicaid Newsletter, Volume 3, No. 19, dated July 1993.

3. Pharmacies are to transmit claims for services provided during the service interruption to UNISYS in a batch environment after POS service has resumed. These claims should be submitted during off-peak hours, between the hours of 6 a.m. thru 9 a.m. or 10 p.m. thru 1 a.m. As an alternative, the claims may be submitted via tape, diskette or modem using the UNISYS EMC format.

4. Pharmacies may experience denied claims for **Error Codes 828 or 832**. **Error Code 828** indicates a duplicate claim provided by a different pharmacy. **Error Code 832** indicates an early refill provided by a different pharmacy. A properly completed paper claim (MC-6) must be submitted to UNISYS for payment consideration. **Claims with quantities exceeding a five (5)-day supply will be denied payment by the State.**

Pharmacies must also attach a copy of the Remittance Advice (RA) statement indicating a claim denial for **Error Code 828 or 832**. The phrase “**Override 828/832**” must also be reported in Field No. 18 on the claim form. These claims must be sent to: UNISYS, P.O. Box 4801, Trenton, N.J. 08650-4801, **Att.: UNISYS Pharmacy Consultant.**

If you have any questions regarding this Newsletter, please do not hesitate to contact the Chief, Pharmaceutical Services, DMAHS, at (609) 588-2724, or the UNISYS Pharmacy Consultant at (609) 588-6039.

Effective immediately, the following policy has been established by **DHSS** for coverage of prescriptions when provided to **Pharmaceutical Assistance to the Aged and Disabled (PAAD), ADDP and CF beneficiaries** during an interruption in POS service:

1. Pharmacists may dispense **up to a 34-day supply or 100 dosage units, whichever is greater**, as prescribed by a practitioner.
2. Pharmacists must confirm PAAD, ADDP or CF program eligibility by: (a) reviewing the PAAD Eligibility Card or (b) contacting the Recipient Eligibility Verification System (REVS) at 1-800-676-6562. If eligibility cannot be confirmed, pharmacists should follow the "good faith" guidelines as described in the Medicaid Newsletter, Volume 3, No. 19, dated July 1993.
3. Pharmacies are to transmit claims for services provided during the service interruption to UNISYS in a batch environment after POS service has resumed. These claims should be submitted during off-peak hours, between the hours of 6 a.m. thru 9 a.m. or 10 p.m. thru 1 a.m. As an alternative, the claims may be submitted via tape, diskette or modem using the UNISYS EMC format.
4. Pharmacies may experience denied claims for **Error Codes 828 or 832**. Properly completed paper claims (MC-6) must be submitted to UNISYS for payment consideration.

Pharmacies must also attach a copy of the Remittance Advice (RA) statement indicating a claim denial for **Error Code 828 or 832**. The phrase "**Override 828/832**" must also be reported in Field No. 18 on the claim form. These claims must be sent to: UNISYS, P.O. Box 4801, Trenton, N.J. 08650-4801, **Att.: UNISYS Pharmacy Consultant**.

It is important to note that during periods of POS service interruption, it is the pharmacist's responsibility to prospectively review drug utilization, including, but not limited to, the monitoring of early refills and duplicate prescription services provided by the same pharmacy.

If you have any questions regarding PAAD, ADDP and CF, please contact Kathleen Mason, Director of PAAD, DHSS, at (609) 588-7032.

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