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Newsletter

Volume 9 No. 1

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TO: Providers of Pharmaceutical Services – For Action
Physicians, Certified Nurse Practitioners and
Health Maintenance Organizations – For Information

SUBJECT: **PDUR Monitoring of Therapeutic Duplication**

EFFECTIVE: Claims with service dates on or after November 17, 1998

PURPOSE: The purpose of this Newsletter is to notify providers of pharmaceutical services of enhancements to the State's Prospective Drug Utilization Review (PDUR) program intended to monitor therapeutic duplication.

BACKGROUND: The Division of Medical Assistance and Health Services (DMAHS) and the Department of Health and Senior Services (DHSS) are enhancing the PDUR program for Medicaid/NJ KidCare fee-for-service (FFS), General Assistance (GA), Pharmaceutical Assistance to the Aged and Disabled (PAAD), AIDS Drug Distribution Program (ADDP), and Cystic Fibrosis (CF) pharmacy claims. These enhancements will identify situations in which two or more medications from the same Specific Therapeutic Drug Class are being utilized by the same beneficiary during the same time period. The PDUR program will also monitor utilization of the same drug, different strengths when dispensed by the same or different provider of pharmaceutical services.

ACTION: Effective for Point-of-Sale (POS) claims with service dates on or after November 17, 1998, **regardless of the mode of claim submission**, Error Code 405, "Possible Therapeutic Class Duplication" is posting to claims for drugs from the same Specific Therapeutic Drug Class with overlapping service dates. This Error Code will only apply to drugs available as solid dosage forms.

Initially, Error Code 405 will provide pharmacists with a **warning message** indicating a possible therapeutic class duplication. These claims will continue to be paid. However,

pharmacists should be aware that in early 1999, certain claims identified as duplicate claims may be subject to payment denials.

The State recognizes that unusual circumstances may warrant deviation from normal prescribing practices. To ensure that these claims may be considered for payment, the State is in the process of acquiring a contractor to administer a Medical Exception Process or MEP to authorize an override of a claim denial when the prescriber provides justification to support medical necessity for these services. Pharmacists will receive additional information concerning the MEP in a future Newsletter.

Again, claims subject to Edit 405 will not be denied until the MEP is fully operational. Warning messages received by pharmacies for affected claims with service dates on or after November 17, 1998, are intended to familiarize pharmacists, prescribers and beneficiaries with the new PDUR editing criteria. Pharmacists are encouraged to consult their software vendor for the purpose of translating Error Code 405 into a written POS message to assist with the MEP.

If you have any questions regarding this Newsletter, please do not hesitate to contact the Unisys Pharmacy Consultant at (609) 588-6039.

If you have any questions concerning Medicaid or NJ KidCare fee-for-service policy, please do not hesitate to contact the Chief, Pharmaceutical Services, DMAHS, at (609) 588-2724.

If you have any questions concerning PAAD, CF or ADDP policy, please do not hesitate to contact the PAAD Pharmaceutical Consultant at (609) 588-7034.

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