
Senior Services News



*A Newsletter Published by the
N.J. Dept. of Health & Senior Services
Division of Senior Benefits &
Utilization
Management*

Volume 9, No. 3

December 2005

TO: Providers of Pharmaceutical Services, Physicians, Advanced Practice Nurses and Midwives- **For Action**

SUBJECT: To notify pharmacy providers of the implementation of the Medicare Part D drug benefit and the requirement for the pharmacists to coordinate Part D benefit with the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold (SG) Discount Prescription Program.

EFFECTIVE: Claims with service dates on or after January 1, 2006

BACKGROUND: Effective January 1, 2006, the State FY06 Appropriations Act requires Medicare-eligible beneficiaries to enroll in a Medicare Prescription Drug Plan (PDP) or a Medicare Advantage Prescription Drug (MAPD) plan to continue receiving PAAD benefits. PAAD will cover premium costs associated with standard Medicare Part D plans with premiums at or below the benchmark and are eligible for auto enrollment for the dual Medicaid eligible recipients. PAAD will also help provide wraparound benefits during the deductible, coinsurance and "donut hole" phases. However, PAAD beneficiaries will still be responsible for copay of \$5 or less.

Senior Gold beneficiaries are not required to join Medicare Part D but have been encouraged to do so. These beneficiaries are responsible for paying their own monthly premiums and may join any plan approved by CMS in the State of New Jersey. The SG program will help provide wraparound benefits on Medicare Part D covered prescriptions including the copay, deductible, and "donut hole" costs, up to the current SG benefit.

ACTION:

- 1. For PAAD/SG claims with service dates on or after January 1, 2006, pharmacists shall be required to submit eligible prescription claims to Medicare PDPs for primary payment prior to submitting POS claims to Unisys, the State's fiscal agent. Eligible Medicare Part D claims submitted to Unisys for primary payment will be denied with edit code 2017 (Part D coverage known bill Part D plan). Specifications for submitting primary or secondary claims to Unisys may be found in Attachment B to this newsletter.**

2. PAAD/SG beneficiaries who have been enrolled in a Medicare Part D plan will receive an eligibility card from their PDP/MAPD. The State's POS response will identify the Plan sponsor in the free text field for Part D enrolled PAAD/SG beneficiaries. Specific information, such as subscriber identification number, group number, and person number, will not be provided by the State's POS response. This information must be obtained from the beneficiary's ID card or by calling the PDP/MAPD plans. Please refer to Attachment A for PDP/MAPD information for the plans PAAD is covering the premium for. Policy ID number and group number can also be obtained by calling PAAD/SG office at 1-800-792-9745.
3. In cases where a PAAD/SG beneficiary has other private insurance coverage, the PDP claim response will provide pharmacists with information regarding other possible payers for a prescription service. The pharmacy is required to process payments with these other insurers. **PAAD and Senior Gold are always the payers of last resort.**
4. Claims reporting Part D payments from PDPs will be exempt from PAAD/SG prior authorization (PA) requirements and day supply standards for pharmacy services.
5. Pharmacies are required to continue collecting the PAAD co-payment of \$5.00, unless the drug cost or co-payment amount required by the PDP/MAPD is less.
6. Senior Gold beneficiaries who enroll in a Medicare Drug Plan will still be required to pay \$15 plus half the remaining cost of the co-payment returned by the PDP. Please remember all Senior Gold co-payments, paid by beneficiaries count toward their yearly Senior Gold catastrophic cap.
7. **Certain classes of drugs are exempt from Medicare PDP coverage, such as benzodiazepines, barbiturates, and certain vitamins. Unisys will continue to process these claims for PAAD/SG Part D-eligible clients. These drugs are *NOT* eligible for Medicare Part D drug benefit coverage.**
8. Current PAAD billing procedures for Medicare Part B covered Diabetic testing supplies and nebulizer solutions will be temporarily suspended with the implementation of Medicare Part D. For other possible Medicare Part B covered drugs (immunosuppressants, oral chemotherapy, etc.), the pharmacist must first receive a denial of drug benefit coverage from the Medicare PDP before submitting a secondary claim to Unisys for payment. For those drugs deemed Part B eligible by the PDP, a prior authorization will be required in order to receive payment from the PAAD/SG programs. Pharmacists can request this approval by calling 1-866-854-1596.
9. If the PDP denies a claim as a non-formulary drug, the pharmacist and/or beneficiary must contact the prescriber. Pharmacists are advised that claim payment responses from the PDPs may contain formulary alternatives and/or "transitional" drug coverage information. The prescriber may choose to prescribe an appropriate formulary drug, thus avoiding the need to initiate an appeal with the PDP. However, the beneficiary or the prescriber may choose to initiate the appeal process with the PDP. PAAD/SG will consider coverage of non-formulary drugs denied payment by Medicare PDPs in the event of a delayed appeal process.

Coverage of these drugs by PAAD/SG will be considered based on medical necessity and will require approval from the State. Pharmacists or beneficiaries can request an approval by calling 1-866-854-1596.

10. The PAAD/SG programs are not responsible for reimbursing pharmacies secondary payments for Medicare Part D-covered drug benefits rendered by a pharmacy not participating in the provider network of the PDP in which a client has enrolled.

Information about the Medicare Part D prescription benefit is available on the Medicare website, www.Medicare.gov, or by phone at 1-800-Medicare.

If you have any questions concerning this Newsletter, please contact the PAAD program toll free at 1-866-854-1596.

**RETAIN THIS NEWSLETTER NUMERICALLY BEHIND THE NEWSLETTER TAB
(BLUE TAB MARKED "5")**

ATTACHMENT A

Medicare Part D Prescription Drug Plans

Plan Name	Enrollment Hotline #	PBM	Pharmacy Help Desk #	Other Payor ID Code
Horizon Medicare RX Plan 2 Horizon Medicare Blue Plus Horizon Medicare Value Plus	1-877-234-1235	Caremark	1-800-364-6331	DHO CHO CHO
AARP Medicare Rx Plan/United Healthcare	1-888-867-5564	WHI	1-888-492-2952	DUH
PacifiCare Saver Plan	1-800-943-0399	Prescription Solutions	1-800-797-9794	DPA
WellCare Signature	1-888-423-5252	WHI	1-877-647-7473	DWE
First Health Premier	1-800-588-3322	Caremark	1-800-551-2694	DFH
Humana PDP Standard	1-800-851-1629	Argus	1-800-865-8715	DHU
Prescription Pathway Bronze Plan	1-800-765-8900	PharmaCare	1-888-999-9741	DPL
Health Net Orange	1-800-865-9431	Argus	1-800-547-8734	DHN
Silverscript	1-866-552-6106	Caremark	1-800-345-5413	DSS
Unicare – Medicare Rx Rewards	1-866-892-5335	Wellpointe	1-866-841-8953	DUN
Oxford Medicare Advantage	1-800-234-1228	Medco Health Solutions	1-800-922-1557	COX
Aetna Medicare Advantage Plans	1-800-445-1796	APM	1-800-238-6279	CAE
AmeriHealth 65 Plus Rx Option	1-800-898-3492	PerformRx	1-800-555-5690	CAH
AmeriChoice Personal Care Plus	1-877-289-1915	Prescription Solutions	1-800-866-0931	CAM

ATTACHMENT B
SOFTWARE VENDOR SPECIFICATIONS
TRANSACTION HEADER SEGMENT

Bin Number – Field 101-A1

You are to continue to use the existing BIN Number of 610515 on all transactions submitted to Unisys for processing.

Processor Control Number – Field 104-A4

You are currently required to enter a value of NJP followed by the seven digit EMC Submitter ID that has been assigned to you by Unisys.

Effective for all transactions submitted as of January 1, 2006 you will be required to populate this field with new Processor Control Number values when submitting claims that were submitted to and approved by the Medicare PDP and the claim is now being submitted to New Jersey for consideration of the outstanding Medicare Part D patient deductible and/or coinsurance/co-payment responsibility.

When submitting a claim for a beneficiary enrolled in either the State's Prescription Drug Program for the Aged and Disabled (PAAD) or the State's Senior Gold prescription drug program, you are to submit the claim with a Processor Control Number of **PAAD**.

When submitting a claim for a beneficiary enrolled in the State's AIDS Drug Distribution Program (ADDP), you are to submit the claim with a Processor Control Number of **ADDP**.

When submitting a claim for a beneficiary enrolled in **other than** the State's Pharmaceutical Assistance to the Aged and Disabled program (PAAD), the State's Senior Gold prescription drug program, or the State's AIDS Drug Distribution Program (ADDP), you are to submit the claim with a Processor Control Number of **SUPPNJ**

Claims for beneficiaries that are not enrolled in Medicare Part D, claims for Non Part D drugs (e.g. benzodiazepines, barbiturates etc) and claims where New Jersey is being

billed as the primary payer because Medicare Part D has denied coverage on the claim should be submitted with a Processor Control Number that is equal to **spaces**.

Software Vendor/Certification ID

Effective for all transactions submitted as of January 1, 2006 you will be required to populate this field with the data that you were previously reporting in the Processor Control Number field. Specifically, the first three positions of this field must contain the value of NJP. Starting in position four of this field, you are to report the seven digit EMC Submitter ID that has been assigned to you by Unisys. This EMC Submitter ID is the certification id that Unisys uses to confirm that you have been certified for the submission of electronic claims.

COB/OTHER PAYMENTS SEGMENT

New Jersey, as a government agency, will continue to require the submission of a COB/Other Payments Segment for each insurer to whom the claim has been submitted prior to the submission of the claim to the State of New Jersey for consideration of payment without exception. If we have knowledge of insurance resources that include drug coverage and a COB segment is not present on the incoming claim for each of the known insurance resources, then payment on your claim will be denied. When the insurance coverage is Medicare Part D, we expect the COB segment reflecting the adjudication by the Medicare Part D processor. Failure to include the COB segment on any claim for a Medicare Part D enrolled beneficiary for a drug product that is Medicare Part D covered by statute will result in the denial of your claim.

Other Payer ID – Field 340-7C

New Jersey will continue to use a New Jersey specific code set to identify other third party resources. New values have been defined by the State of New Jersey for the specific Medicare approved PDPs. You will continue to use a value of 99 in the Other Payer ID Qualifier field (339-6C). The new Other Payer ID values that have been established in support of MMA are:

Medicare C Plans

CAP = Aetna US Healthcare PPO
CAE = Aetna US Healthcare
CAM = Americhoice
CAH = Amerihealth 65
CEC = Evercare Choice

CHO = Horizon Healthcare NJ
COX – Oxford Health Plans NJ
CUH – United Healthcare

Medicare D Plans

DAE = Aetna Life Insurance
DCG = Connecticut General
DCA = Coventry Advantra RX
DFH = First Health Premier
DHN = Health Net
DHO = Horizon Healthcare
DHU = Humana
DME = Medco Health Solutions
DMH = Memberhealth
DPA = Pacificare Life
DPL = Pennsylvania Life
DAP = American Progressive Life and Health
DRX = RXAmerica
DSS = Silverscript
DST = Sterling Plus RX
DUN = Unicare
DUA = United American
DUH = United Healthcare
DWE = Wellcare

Please be advised that the value of OTH cannot be used to identify Medicare Part D as the insurer. If the value of OTH is used to identify the COB segment as reflecting Medicare Part D rather than the appropriate value from the above list, the claim will be denied.

Other Payer Amount Paid Qualifier (Field 342-HC) and Other Payer Amount Paid (Field 431-DV)

The NCPDP standard allows for the reporting of up to six occurrences of Other Payer Amount Paid Qualifier and Other Payer Amount Paid.

When reporting the actual amount of the payment made by the third party health plan, the Other Payer Amount Paid Qualifier is to be coded with a value of 08 (Sum of all reimbursement) and the amount reported in the Other Payer Amount Paid is to be the amount of the actual payment that you are scheduled to receive from the health plan. In the event that the health plan has approved the service but will make no payment on the claim because the payment due has been applied to either the patient's deductible liability and/or coinsurance/co-payment liability, then there would be no entry containing an Other Payer Amount Paid Qualifier of 08 required.

An Other Payer Amount Paid Qualifier of 99 is to be used to report both the patient deductible liability as well as the patient coinsurance/co-payment liability. The first entry is to be used to report the patient deductible amount and the second entry is to be used to report the patient coinsurance/co-payment amount. When the claim involves only a coinsurance/co-payment amount, you still must code two entries with an Other Payer Amount Paid Qualifier of 99. The first entry must be coded with an Other Payer Amount Paid Qualifier of 99 and an Other Payer Amount Paid of zeros to indicate that there is no deductible amount on the claim and the second entry must be coded with an Other Payer Amount Paid Qualifier of 99 and an Other Payer Amount Paid that is equal to the patient coinsurance/co-payment amount.

The amount to be reported to us as the patient deductible amount should be returned to you by the payer in the Amount Applied to Periodic Deductible field (Field 517-FH) on the Response Pricing Segment.

The amount to be reported to us as the patient coinsurance/co-payment amount should be returned to you by the payer in the Amount of Copay/Co-Insurance field (Field 518-FI) on the Response Pricing Segment.

Other Payer Reject Code (Field 472-6E)

When the COB segment being provided reflects Medicare Part D, it is essential that you include on the transaction all reject codes returned to you by the Medicare Part D PDP. These codes will be used to determine if New Jersey will accept primary payer responsibility on a claim for a Medicare Part D enrolled beneficiary for a drug product that is deemed to be a Medicare Part D covered benefit by statute. The only codes that you are to report in this field are the reject codes that are returned to you by the health plan/insurer. You are not to augment this list of reject codes with any reject codes that are not present on the response transaction received from the health plan.