



State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

Volume 9 No. 39

June 1999

- TO:** Providers of Pharmaceutical Services
Health Maintenance Organizations – For Information Only
- SUBJECT:** **Change in Days Supply Requirements for Medicaid, General Assistance and NJ KidCare Plan A Fee-For-Service (FFS) Pharmacy Claims**
- EFFECTIVE:** Claims with service dates on or after July 1, 1999
- PURPOSE:** To notify providers of pharmaceutical services of a change in days supply requirements for Medicaid, General Assistance (GA) and NJ KidCare Plan fee-for-service (FFS) pharmacy claims.
- BACKGROUND:** Currently, coverage of Medicaid, GA and NJ KidCare FFS pharmacy claims are limited to a 34-day supply. Based on requirements contained in the SFY 2000 Appropriations Act, the Division of Medical Assistance and Health Services (DMAHS) is changing this policy for Medicaid, GA and NJ KidCare FFS pharmacy claims.
- ACTION:** Effective for claims with service dates on or after July 1, 1999, DMAHS is changing its policy regarding Medicaid, GA and NJ KidCare FFS coverage of pharmacy claims based on their days supply. **These changes will be consistent with those applied to Pharmaceutical Assistance to the Aged and Disabled (PAAD) pharmacy claims, effective November 11, 1998. Coverage of AIDS Drug Distribution Program (ADDP) and Cystic Fibrosis (CF) pharmacy claims will continue to be limited to a 34-day supply.**

The Appropriations Act establishes different days supply requirements for pharmacy claims based on the drug use history of the Medicaid, GA and NJ KidCare-Plan A FFS beneficiary. Days supply limitations for an **“Initial Prescription Claim”** for Medicaid, GA and NJ KidCare FFS beneficiaries shall be different from days supply limitations for a **“Refill Prescription Claim.”** For the purpose of this policy change, the following definitions shall apply:

“Initial Prescription Claim” shall mean a Medicaid, GA or NJ KidCare FFS claim for a drug not previously paid by DMAHS during the 200-day calendar period

immediately preceding the service date of a claim being considered for payment; or a Medicaid, GA or NJ KidCare FFS claim with a service date that exceeds a time period based on two times the days supply reported on a previously paid Medicaid, GA or NJ KidCare claim for the same drug and beneficiary. The begin date of this time period shall be based on the service date of the previously paid claim.

“Refill Prescription Claim” shall mean a Medicaid, GA or NJ KidCare FFS claim for a previously paid prescription in which the time period between claims is less than or equals two times the days supply reported on the previously paid Medicaid, GA or NJ KidCare FFS pharmacy claim for the same prescription. A Refill Prescription Claim may have the same or different prescription number.

For Medicaid, GA and NJ KidCare FFS claims with service dates on or after July 1, 1999, the following days supply limitations shall apply:

1. The days supply limitation for an **Initial Prescription Claim** shall be limited to a 34-day supply.

For example: An incoming Medicaid, GA or NJ KidCare FFS claim has a service date of July 1, 1999. During the 200-day period prior to July 1, 1999, there were no other Medicaid, GA or NJ KidCare Plan A FFS claims paid by DMAHS for the same drug and beneficiary. The days supply for the incoming claim is limited to a 34-day supply; or

An incoming Medicaid, GA or NJ KidCare FFS claim has a service date of August 1, 1999, and the previous Medicaid, GA, or NJ KidCare FFS claim paid by DMAHS for the same drug and beneficiary has a service date of June 1, 1999, and a days supply of 20 days. In this example, the time period between claims (60 days) exceeds 2 times the days supply (40 days) reported on the previously paid claim. The days supply for the incoming claim is limited to a 34-day supply.

2. The days supply limitation on a **Refill Prescription Claim** shall be limited to a 34-day supply or 100 dosage units, whichever is greater.

For example: An incoming Medicaid, GA or NJ KidCare FFS claim has a service date of July 1, 1999, and a previous Medicaid, GA or NJ KidCare FFS claim paid by DMAHS for the same drug and beneficiary has a service date of June 1, 1999, and a days supply of 30 days. In this example, the time period between claims (30 days) is less than 2 times the days supply (60 days) reported on the previously paid claim. The days supply for the incoming claim is limited to a 34-day supply or 100 dosage units, whichever is greater.

Please be advised that coverage of Medicaid, GA and NJ KidCare FFS claims shall be based on these State definitions for an **Initial Prescription Claim** and a **Refill Prescription Claim**. Also, DMAHS will monitor coverage of Medicaid, GA and NJ KidCare FFS prescriptions based on days supply through the State's Point-of-Sale

(POS) claims processing system. In those situations in which such monitoring is unavailable through the POS system, the pharmacist shall be responsible for ensuring that these days supply limitations are not exceeded for prescription services provided by the same pharmacy to the same beneficiary.

For your convenience, we have included with this Newsletter a notice which should be posted informing Medicaid, GA and NJ KidCare FFS beneficiaries of this policy change.

If you have any questions concerning this Newsletter, please do not hesitate to contact Unisys Provider Services, at 1-800-776-6334.

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

STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

ATTENTION

**MEDICAID, GENERAL ASSISTANCE AND NJ KIDCARE PLAN A
BENEFICIARIES**

IMPORTANT NOTICE:

**EFFECTIVE JULY 1, 1999, THE FOLLOWING POLICY CHANGE HAS
BEEN ADOPTED BY THE DIVISION OF MEDICAL ASSISTANCE AND
HEALTH SERVICES:**

**ALL INITIAL PRESCRIPTIONS SHALL BE LIMITED TO A 34-DAY
SUPPLY AND ALL REFILLS FOR THE SAME DRUG AND STRENGTH
SHALL BE LIMITED TO A 34-DAY SUPPLY OR 100 UNIT DOSES,
WHICHEVER IS GREATER.**

