



*Published by the
N.J. Dept. of Human Services,
Div. of Medical Assistance & Health Services
& the N.J. Dept. of Health & Senior Services
Div. of Consumer Support*

Newsletter

Volume 9 No. 67

November 1999

TO: Providers of Pharmaceutical Services - **For Action**
Physicians, Dentists, Podiatrists, Certified Nurse
Practitioners/Clinical Nurse Specialists, Optometrists, Independent
Clinics, and Health Maintenance Organizations-**For Information**
Only

SUBJECT: **Medical Exception Process**

EFFECTIVE: Claims with service dates **on or after December 1, 1999**

PURPOSE: To notify prescribers and providers of pharmaceutical services of a new process, referred to as the Medical Exception Process or MEP, for certain prescription services provided to Medicaid, NJ KidCare, General Assistance (GA), Pharmaceutical Assistance to the Aged and Disabled (PAAD), AIDS Drug Distribution Program (ADDP), and Cystic Fibrosis (CF) beneficiaries which exceed certain drug utilization review (DUR) standards recommended by the New Jersey Drug Utilization Review Board (NJDURB) and approved by the Commissioners of Human Services and Health and Senior Services.

BACKGROUND: The New Jersey Division of Medical Assistance and Health Services (DMAHS), the New Jersey Division of Family Development (DFD) and the New Jersey Department of Health and Senior Services (DHSS) are implementing a new State policy requiring pharmacists to initiate a "Medical Exception Process" (MEP) for certain pharmaceutical services which exceed DUR standards recommended by the NJDURB and approved by the Commissioners of Human Services and Health and Senior Services.

The MEP utilizes the services of an outside contractor, First Health Services Corporation (FH), to request justification from the prescriber for dispensing drugs, which exceed certain DUR standards. As part of this process, the State's point-of-sale (POS) claims processing system will advise pharmacists when a prescription is being requested which exceeds these standards. Upon POS notification, the pharmacist is required to contact FH. FH will then request beneficiary, prescriber and prescription information from the pharmacist.

For certain DUR standards, the POS system will allow the pharmacist to dispense an initial 30-day supply of medication. During this 30-day period, FH will reach out to the physician to obtain the necessary justification for continuing the prescribed drug

therapy. The pharmacist, prescriber and beneficiary will then be notified in writing, of prior authorization (PA) to continue drug therapy.

For a drug that could result in serious illness, the POS claim will be denied. If an override of the denial is requested, FH will determine whether continuation of drug therapy is appropriate upon inquiry by the pharmacist. In these situations, FH may issue a PA number to the pharmacist for dispensing purposes. FH will notify the prescriber, pharmacist and beneficiary of the results of PA decisions.

ACTION: Effective on or after December 1, 1999, the State shall initiate the MEP for certain DUR edits which currently post to pharmacy claims as warning messages only. Pharmacists were notified of these edits and their initial applications in Medicaid/DHSS Newsletters Volume 9, No. 1, dated January 1999; Volume 9, No. 6, dated January 1999; and Volume 9, No. 11, dated August 1999. It is important to note that application of these DUR standards has been expanded based on the recommendations of the New Jersey Drug Utilization Review Board.

The DUR and MEP edits include the following:

Edit Number	Edit Description
403	Dosage duration exceeded
404	Duration standard exceeded – possible cutback
405	Possible therapeutic class duplication
535	Daily quantity exceeded – 30 day limit applies
538	Daily quantity limit exceeded – claim denied
916	Severe Drug-Drug (DD) Conflict
917	Moderate DD Conflict
921	Mild DD Conflict
922	Pregnancy conflict
927	Contact MEP contractor - 30 day extension provided
928	MEP cutback
929	Claim denied - MEP PA required

Edit Descriptions:

Edit 403: this edit establishes DUR standards for the duration of drug use. For example, in accordance with drug literature, ranitidine 300mg should be prescribed for a period of ninety (90) days at this daily dosage level. Edit 403 monitors compliance with this accepted DUR standard. The MEP will assess continuation of drug therapy.

Edit 404: this edit supports edit 403. When the days supply reported on a pharmacy claim would exceed the DUR edit for duration of drug use, edit 404 would post to the claim and notify pharmacists of the number of service units “cutback.”

Edit 405: this edit monitors claims to ensure that two or more drugs are not prescribed from the same therapeutic drug class, for example, the concurrent

administration of two or more calcium channel blockers with overlapping service dates. This edit may immediately deny a claim, or an additional 30-day supply of medication may be dispensed, based on the outcome of MEP intervention.

Edit 535: this edit monitors claims to ensure that recommended daily dosage limits are not exceeded. An additional 30-day supply of medication may be dispensed based on the outcome of MEP intervention. For example, Newsletter Volume 9, No. 11 notified pharmacists of maximum daily dosage (actuations) and days supply standards for pharmaceutical inhalants based on product literature.

Edit 538: this edit is the same as edit 535. However, claims subject to edit 538 will be denied when daily dosage standards are exceeded. For example, drugs used for the treatment of male impotence are subject to four (4) treatments in 30 days. Edit 538 denies these claims when the limit is exceeded.

Edit 916: this edit monitors severe drug-drug interactions. Edit 916 will immediately deny a claim determined to have a severe drug interaction with a prior history claim. Overrides of such denials require PA issued by FH.

Edit 917: this edit monitors moderate drug-drug interactions. Depending on the level of interaction with another drug, edit 917 may immediately deny a claim or allow an additional 30-day supply of the drug to be dispensed with MEP intervention based on the outcome of MEP intervention.

Edit 921: this edit monitors mild drug-drug interactions. Pharmacists will receive warning messages about these possible interactions in claim responses received from the POS system.

Edit 922: this edit monitors potential pregnancy-drug conflicts. Depending on the level of severity, this claim may immediately be denied payment or an additional 30-day supply of the medication may be dispensed based on the outcome of MEP intervention.

Edits 927, 928 and 929: these edits are referred to as the “MEP” edits. These edits tell pharmacists of the need to contact First Health Services (927); notify the pharmacist when a claim exceeds the allowable 30-day supply for MEP (928); and deny claims when PA has not been issued to allow continuation of drug therapy after the 30-day period allowed for MEP has been exhausted.

PROCEDURES:

1. One or more of these DUR edits may post to a pharmacy claim. When edits 927, 928, and 929 also post to the same claim, the pharmacy service associated with that claim is subject to the MEP process.
 - When edit 927 posts to a pharmacy claim, the pharmacist is required to contact First Health Services Corporation at 1-877-888-2939 to initiate the MEP. The POS system will automatically allow the pharmacist to dispense an additional 30-day supply of the medication without a PA number. **If the pharmacist fails to contact FH, the claim will automatically be denied at the close of the 30-day extension period.** In these situations, the pharmacist is required to contact First Health Services Corporation if the beneficiary requests additional medication.

- For POS claims subject to edit 927 that are submitted to the State for greater than a 30-day supply, the POS system will automatically “cutback” the metric quantity submitted to limit the days supply dispensed to a 30-day supply. Pharmacists will be notified of the “cutback” by the posting of edit 928.
 - When edit 929 posts to a pharmacy claim, pharmacists will be notified of the requirement to contact First Health Services Corporation at 1-877-888-2939 to request PA. Claims subject to edit 929 will immediately be denied by the POS system and additional drug use must be authorized by FH. **The claim will not be considered for payment by the State unless the pharmacist obtains a PA number from FH.**
2. When requesting PA from First Health Services Corporation, the pharmacist must provide certain claim information. This information may include, but not be limited to, the following: the beneficiary name, beneficiary eligibility identification number, prescriber name, prescriber address, prescriber telephone number, Prescriber Service Number (PSN), National Drug Code (NDC), service date, metric quantity, days supply, and the Internal Control Number (ICN) for the claim.
 3. The pharmacist, prescriber, and beneficiary will receive confirmation of a PA number in writing from First Health Services Corporation when an authorization number is issued. When the 30-day extension period applies, PA will be issued by FH prior to the close of this period if justification to continue therapy is received from the prescriber by FH.
 4. PA numbers for claims authorized by First Health Services Corporation will be available for claims processed through POS within one (1) hour of the PA number being issued, for non-emergency requests prior to 5:00 P.M. When a request is denied, no PA number will be issued by First Health Services.

First Health Services Corporation is located in Princeton. The office will be staffed by New Jersey licensed pharmacists during normal business hours between 8:00 A.M. and 5:00 P.M. Pharmacists will be on call after hours, on weekends and holidays, to process emergency requests.

An emergency request may result when a pharmacy claim is denied payment for a DUR reason and the beneficiary is out of medication **or** an original prescription has been presented to the pharmacy for dispensing.

If an emergency request is for a Medicaid, General Assistance (GA), AIDS Drug Distribution Program (ADDP) or Cystic Fibrosis (CF) prescription, the pharmacy may use the on-call service to request prior authorization or dispense **up to** a six (6)-day emergency supply of medication without authorization (see N.J.A.C. 10:51-1.14). However, after the emergency supply of medication has been used by the beneficiary, prior authorization will be required for dispensing any additional medication.

If the emergency request is for a PAAD prescription, the pharmacy must contact First Health Services to request prior authorization from the on-call service.

First Health Services Corporation may be contacted 24-hours a day, seven (7) days a week at 1-877-888-2939. All decisions concerning PA will be processed by New Jersey registered pharmacists.

It is important to note that First Health Services must be contacted at 1-877-888-2939 by pharmacists to request PA or responses to questions concerning the MEP. **Any questions concerning the MEP must be directed to the First Health Services Corporation. Unisys is not responsible for responding to questions concerning MEP policy and procedures. Also, pharmacists will no longer contact MDO's for prior authorization of any drugs or biologicals.**

Prescribers and beneficiaries may inquire about the MEP process by contacting First Health Services at 1-877-266-3589.

Please find attached a poster which may be displayed by your pharmacy that briefly explains the MEP to beneficiaries.

If you have any questions regarding this Newsletter, please contact the Chief, Pharmaceutical Services, DMAHS, at (609) 588-2724, or First Health Services.

If you have any questions concerning PAAD, CF or ADDP, please contact the PAAD Pharmacy Consultant at (609) 588-7034.

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