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Medicaid Alert

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TO: Providers of Pharmaceutical Services - For Action
Health Maintenance Organizations – For Information Only

SUBJECT: Fee-for-Service (FFS) Coverage of Pharmacy Benefits for
Additional Aged, Blind and Disabled (ABD) Beneficiaries

EFFECTIVE: Pharmacy claims with service dates on or after January 1, 2005.

PURPOSE: The purpose of this Alert is to notify pharmacies of a decision by the New Jersey Division of Medical Assistance and Health Services (DMAHS) to provide Fee-for-Service (FFS) coverage of prescription drugs for all Aged, Blind and Disabled (ABD) beneficiaries, including those enrolled in Medicaid managed care.

BACKGROUND: Prior to January 1, 2005, ABD beneficiaries enrolled in a managed care organization who were not eligible for Medicare coverage received their prescription drug coverage through the Medicaid FFS program. ABD beneficiaries eligible for Medicare received drug coverage from their Medicaid HMO.

ACTION: Effective for pharmacy claims with service dates on or after January 1, 2005, all ABD beneficiaries, including those enrolled in Medicaid managed care, are eligible to receive their prescription drug coverage from the Medicaid FFS program. These pharmacy claims must be billed to Unisys, the State's fiscal agent, through the State's pharmacy claims processing system. This change was initially announced to pharmacies in the Medicaid Newsletter, Volume 14, No. 54, dated November 2004.

PLEASE USE THE MEDICAID RECIPIENT IDENTIFICATION NUMBER TO BILL MEDICAID WHEN CLAIM PAYMENTS ARE DENIED USING THE MEDICAID HMO PRESCRIPTION CARD.

If you have any questions, please do not hesitate to contact the DMAHS Pharmacy Unit at (609) 588-2724.

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