



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

MEDICAID ALERT

October 1996

TO: Providers of Pharmaceutical Services

SUBJECT: Clarification of Billing Procedures Related to Pharmacy Claims for Non-Solid Dosage Forms

EFFECTIVE: Immediately

BACKGROUND: For claims with service dates on or after July 15, 1996, drug quantities reported on Medicaid, Medicaid-related, and Pharmaceutical Assistance to the Aged and Disabled (PAAD) pharmacy claims are limited to a 34-day supply or 100 dosage units, whichever is greater. The phrase "100 dosage units" refers to the solid dosage form of a drug product(s). Please see the Medicaid Newsletter, Volume 6, No. 37, dated July 1996, for additional information regarding this change in State policy.

The purpose of this Alert is to clarify the billing procedures of the New Jersey Division of Medical Assistance and Health Services (DMAHS) concerning the reporting of "Days Supply" on pharmacy claims for those products available as non-solid dosage forms.

ACTION: For pharmacy claims with service dates on or after July 15, 1996, and drug products available as non-solid dosage forms (i.e., liquids), the following billing procedures shall apply:

- The "Days Supply" reported by pharmacist in Field 17 on the MC-6 claim form, or related field in the Electronic Medium Claim (EMC) or Point of Sale (POS) format, may not exceed a value of 34 days.
- For those drug products (1) with a container volume exceeding a 34-day supply; and (2) which must be dispensed as an unopened package due to FDA labeling requirements, product sterility concerns, or to include a "designated" measuring device, the pharmacist may report the maximum allowable day supply of 34 days in Field 17 on the pharmacy claim form. Examples of these products include infant vitamin drops and certain drugs for injection.

- It is important to note that the pharmacist must continue to report a "reasonable estimation" of days supply on pharmacy claims for non-solid dosage forms when not otherwise determined by special product packaging requirements.

If you have any questions regarding this Alert, please do not hesitate to contact the Chief Pharmaceutical Consultant at (609) 588-2724.

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