IMPORTANT INFORMATION

BR200227 JULY 2, 2002

To All Providers:

- Indiana Health Coverage Programs (IHCP) policy states that the first 10 miles of a trip is not reimbursable. During implementation of the new 2002 Health Care Procedure Coding System (HCPCS) codes, it was discovered *S0215 – Transportation Mileage* was not deducting the 10 miles for each way of the trip. This resulted in overpayments to providers. On June 11, 2002, EDS modified the system to correctly deduct the first 10 miles for each way of a trip prior to calculating the reimbursement. During the week of August 8, 2002, EDS will begin mass adjustments of claims that were billed and paid with a code of *S0215* during the period April 2, through June 18, 2002.
- Information about the *Indiana Health Coverage Programs 2002 Seminar* was announced in IHCP provider bulletin, *BT200226.* This provides additional information about the Waiver Review Session being presented during the seminar. The Office of Medicaid Policy and Planning (OMPP) established a review process for the Home and Community Based Services (HCBS) Waiver programs. The focus of the review process is to help HCBS Waiver providers achieve IHCP compliant documentation and billing, to help ensure the health and safety of IHCP members. This session provides an overview of the review process. The session is targeted to agencies providing the following waiver services to individuals on the Developmentally Disabled Waiver Program: personal assistance, residential based habilitation services, support services, behavior management, residential habilitation and support, and community habilitation and support.

  In the second hour of the session the Bureau of Quality Improvement Service (BQIS) presents information about the *Bureau of Developmental Disabilities Services Incident Reports.* A question and answer period follows the BQIS presentation and providers are encouraged to bring for discussion any copies of forms being used to record services provided to waiver members.

To All Pharmacy Providers:

Note: The information referenced below is not directed to those providers rendering services in the risk-based managed care delivery system.

- This notifies of a change in the implementation of hard alerts in the IHCP Prospective Drug Utilization Review (ProDUR) system. Originally, effective July 1, 2002, the system was to deny for prior authorization (PA) claims generating early refill (ER), high dose (HD), severity level 1 drug-drug (DD), or specific therapeutic duplication (TD) alerts. Because of the potential impact, the activation of all alert categories could have on the pharmacy provider community after July 1, 2002, the OMPP decided to limit the activation to only ER alerts for July 1, 2002, with explanation of benefits (EOB) code *0570*. The point of service (POS) response message will not describe the edit, *Early Refill ProDUR Alert, Prior Authorization Required*; however, it will show the edit number *0570*. Activation of hard alerts for HD, TD, and DD will be phased in at later dates with advance announcements in future banner pages.
- This provides additional information about the implementation of pharmacy cost avoidance beginning July 1, 2002. For complete details about the pharmacy cost avoidance policy, refer to bulletin *BT200221*, dated May 15, 2002. Effective July 1, 2002, pharmacy providers submitting claims via POS will receive an edit message of *2504* on the POS response if the claim was submitted with no third party liability (TPL) and Indiana*AIM* shows the member has pharmacy third party coverage. The POS response message will not describe the edit, *Member covered by private insurance*; however, it will show the edit number of *2504*. The POS response will return the policy number and the name of the carrier in the message field to assist the pharmacy in redirecting the claim.

  The remittance advice for pharmacy providers will contain the edit number and description when the TPL edit is set. For electronic claims (POS and batch), the EOB message will be *2504 – Member covered by private insurance (without attachment)*. Paper claims will contain the edit *2505 – Member covered by private insurance (with attachment).*

  Between July 1, and September 30, 2002, the TPL edits *2504* and *2505* will set to post and pay for all pharmacy claim types. However, on July 1, 2002, providers must begin asking all Medicaid patients if they have pharmacy insurance coverage in addition to the coverage provided by Medicaid. When other pharmacy coverage is identified, the pharmacy will be expected to bill the other insurance carrier prior to billing Medicaid. The TPL edits will be set to deny for POS and paper claims beginning October 1, 2002.
- Listed in the following table are EOB codes now in effect to support new pharmacy benefit initiatives related to the Indiana Rational Drug Program (IRDP), cost avoidance, supply limitations, and hard alerts associated with ProDUR. Details of these initiatives are found in bulletins *BT200132, BT200248, BT200210, BT200221,* and *BT200225*.

EOB Code	Description and Pharmacy Benefit Programs Where EOB is Applied
0570	**Early Refill ProDUR Alert, Prior Authorization Required** Affects prescription claims that generate an early refill alert. See *BT200221*
0571	**High Dose ProDUR Alert, Prior Authorization Required** Affects prescription claims that generate a high dose alert. See *BT200221*
0572	**Therapeutic Duplication ProDUR Alert, Prior Authorization Required** Affects prescription claims that generate therapeutic duplication alert. See *BT200221*

EOB Code	Description and Pharmacy Benefit Programs Where EOB is Applied
0573	**Drug/Drug ProDUR Alert, Prior Authorization Required** Affects prescription claims that generate a severity level one drug/drug interaction. See *BT200221*
2504	**Member is Covered by Private Insurance Which Must be Billed Prior to Medicaid** Affects prescription claims for Medicaid members who have a third party pharmacy insurance coverage on file. See *BT200221*
3002	**National Drug Code (NDC) Requires Prior Authorization, No PA on File** Affects the PA requirement for brand medically necessary drugs. See *BT200148* Affects the following IRDP programs. See *BT200148, BT200210,* and *BT200225:* – Prescription claims for Stadol NS® when dispensing greater than one vial. – Prescription claims for Tramadol products. – Prescription claims for brand name NSAIDs and COX-2 inhibitors. – Prescription claims for products containing Misoprostol. – Prescription claims for growth hormones. – Prescription claims for Tretinoin topical products. – Prescription claims for Azithromycin when prescribed for greater than five days of therapy. – Prescription claims for Lactulose. – Prescription claims for Synagis® or Respigam®. – Prescription claims for Oxycontin® when prescribed greater than four tablets per day. – Prescription claims for Hydrocodone with acetaminophen or Oxycodone with acetamoniphen when prescribed greater than 3000 milligrams (mg) of the acetaminophen a day.
4026	**NDC/Days Supply Limitations. This NDC code billed may not be greater than the number of days allowed on the NDC file. Please verify and resubmit** Affects prescription claims for nonmaintenance drugs that have a 34-day supply limit. See *BT200221*
6806	**Therapy Exceeds Limitation, Prior Authorization Required** Affects the following IRDP programs: See *BT200148, BT200210,* and *BR200225* – Prescription claims for Stadol NS® when dispensing greater than one vial within a 30-day period. – Prescription claims for Proton Pump Inhibitor or full dose H2-antagonist for a treatment duration of greater than 90 days. – Prescription claims for Azithromycin when refilled within 10 days of the original prescription. – Prescription claims for Oxycontin® when dispensing a supply that exceeds the 120 tablets per 30-day limitation. ***Note: A prescription claim for Oxycontin that prescribes a supply exceeding the 120 tablets per 30-day limitation will cutback the claim allowing payment for the tablet supply that does not required PA. The pharmacy provider will also receive the EOB code 6806 indicating that PA is required for the remaining supply in excess of the 120 tablets per 30-day limitation.*** – Prescription claims for Hydrocodone with acetaminophen and Oxycodone with acetaminophen when dispensing a supply that exceeds the 30-day limitation. ***Note: A prescription for Hydrocodone with acetaminophen, or Oxycodone with acetaminophen that prescribes a supply exceeding the 30-day limitation will cutback the claim allowing payment for the supply that does not require PA. The pharmacy provider will also receive the EOB code 6806 indicating that PA is required for the remaining supply in excess of the 30-day limitation.*** – Prescription claims for immediate-release Oxycodone products when dispensing a supply that exceeds the 30-day limitation. ***Note: A prescription claim for immediate-release Oxycodone that prescribes a supply exceeding the 30-day limitation will cutback the claim, allowing payment for the supply that does not require PA. The pharmacy provider will also receive the EOB code 6806 indicating that PA is required for the remaining supply in excess of the 30-day limitation.*** – Prescription claims for Fentanyl Topical Patches when dispensing a supply that exceeds the 10 patches per 30-day limitation. ***Note: A prescription claim for Fentanyl Topical Patch that prescribes a supply exceeding the 30-day limitation will cutback the claim allowing payment for the supply that does not require PA. The pharmacy provider will also receive the EOB code 6806 indicating that PA is required for the remaining supply in excess of the 30-day limitation.***
6809	**Therapeutic Duplication, Prior Authorization Required** Affects prescription claims for Sucralfate when taken together with a Proton Pump Inhibitor or full dose H2-Antagonist for greater than 30 days duration. See *BT200148*