

# IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS    BT201307    MARCH 19, 2013



## **New Indiana Medicaid Pharmacy Benefit Manager targeted to be implemented in late May 2013**

As previously announced in bulletin [BT201237](#), Catamaran Corporation will serve as the new Pharmacy Benefit Manager (PBM) and pharmacy claims processor for the Indiana Health Coverage Programs (IHCP). This change is targeted for an effective date in late May 2013. This bulletin provides specific information about the roles and responsibilities of Catamaran and describes any changes that will affect providers.

The information in this bulletin applies to all pharmacy services rendered under the fee-for-service and managed care delivery systems. The provisions in this bulletin also apply to the Healthy Indiana Plan (HIP). The exact implementation date will be published in a follow-up bulletin at least 30 days prior to the actual transition. It is important that you, as an IHCP provider, share the technical components in this document with your software and/or switch vendor to ensure all pharmacy claims are routed appropriately to Catamaran beginning on the implementation date.

### **Instruction for submission—point-of-sale claims, batch claims, paper claims, reversals, and adjustments**

The PBM transition does not change any existing coverage policies or rules that govern IHCP pharmacy benefits. For example, claim filing limits, pricing, Preferred Drug List (PDL) content, utilization and step therapy edits, and quantity limits are not changing as a result of this transition.

**Point-of-sale claims**

HP (the current pharmacy claims processor) will continue to accept point-of-sale (POS) claims until 6 p.m. Eastern Standard Time (EST) on the day prior to the implementation date. At 6 p.m. the pharmacy claims processing system will be shut down for a period of time not to exceed 12 consecutive hours. The scheduled downtime is necessary to allow the transfer of historical claims data from HP to Catamaran. During this downtime, pharmacy providers should use the Automated Voice Response (AVR) system, an Omni device, or Web interChange to determine member eligibility. Prescriptions should continue to be dispensed during the downtime. For payment, providers may wait until POS service is restored to submit a claim electronically or may submit the claim via paper.

All pharmacy claims should continue to be submitted via the National Council for Prescription Drug Programs (NCPDP) version D.0. A copy of the *NCPDP Version D.0 Transaction Payer Sheet* issued by Catamaran will be available to providers under the [Pharmacy Services](#) link on indianamedicaid.com beginning on the implementation date. Prior to that date, the [NCPDP D.0 and 1.2 Transaction Payer Sheet V2.0](#), currently located on the [IHCP Companion Guides](#) page of indianamedicaid.com should be used.

Please note the bank identification number (BIN) and processor control number (PCN) in Table 1. When the pharmacy claims processing system is operational (no later than 6 a.m. EST on the implementation date), providers should direct pharmacy claims to the BIN/PCN combination shown in the following table.

*Table 1 – BIN/PCN combination effective on new PBM implementation date*

BIN	001553
PCN	INM
Group	Not required

Any POS claim submitted to HP after 6 p.m. EST on the day prior to the implementation date, will be rejected with NCPDP reject code 1 – *Invalid BIN Number* along with the message, *Please submit to BIN 001553 PCN INM*.

**Electronic batch claims**

HP will continue to accept electronic batch pharmacy claims until 6 p.m. EST on the day prior to the implementation date. After that time, electronic batch pharmacy claims will **no longer** be accepted by the IHCP for processing. Catamaran will not be processing electronic batch claims.

**Paper claims**

Providers should continue to submit paper claims on the existing claim forms. As of the implementation date, the appropriate forms will be accessible under the [Pharmacy Services](#) link on indianamedicaid.com. Beginning on the implementation date, paper claims must be mailed to Catamaran at the following address:

**Catamaran Manual Claims**  
**PO Box 5206**  
**Lisle, IL 60532-5206**

For a period of 30 calendar days from the implementation date, any paper claims erroneously directed to HP will be forwarded to Catamaran. Paper claims received by HP after 30 calendar days following the implementation date, will be returned to the provider for appropriate routing.

### **Reversals**

Beginning on the implementation date, Catamaran will be processing all reversals and rebills for pharmacy claims, including those originally adjudicated prior to the implementation date. It is important to note that pharmacies must work with their software vendors to ensure that all electronic reversal (B2) and rebill (B3) transactions are routed to Catamaran for processing. For reversals or rebills that cannot be processed electronically, please contact the Catamaran Clinical/Technical Help Desk (toll free) at 1-855-577-6317.

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***Please Note: The date of adjudication is the date the claim was submitted for processing. The date of adjudication (submission) is not necessarily the date of service.***

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### **Enhanced coordination of benefits**

Catamaran will use the same third-party liability (TPL) information that HP uses today to identify other potential payers. In addition, Catamaran will use an enhanced coordination of benefits (eCOB) process to assist in the identification of other potential third-party payer resources.

If the eCOB process identifies that the member has TPL, the POS claim will reject with the NCPDP code "41," along with a message outlining the member's TPL information. Pharmacies may resubmit the claims with the appropriate NCPDP value in the "Other Coverage Code" field along with the required COB segment information to override the TPL edit for payment consideration from IHCP.

The following example shows a short message that indicates additional insurance is present; ADDINS is displayed, followed by the BIN (BN), PCN (PN), Group (GP), Cardholder ID (ID), Person Code (PC), and Helpdesk Phone (PH) for the alternate insurance processor.

*Figure 1 – Example of message indicating additional insurance is present*

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ADDINS:1;BN:000999;PN:      ;GP:A123  
55599900000;ID:ABC123456789;PC:2;PH:  
8005551212;&
```

### **Prospective Drug Utilization Review**

Catamaran will use Medi-Span's drug file not only for adjudication of pharmacy claims, but as a source of Prospective Drug Utilization Review (pro-DUR) criteria as well. Because the primary file used by HP has been First DataBank, providers may notice subtle differences in pro-DUR alerts. However, all pro-DUR messaging and "hard alerts" (meaning, override of the alert requires prior authorization [PA]) will remain the same.



### **Retrospective Drug Utilization Review**

The Retrospective Drug Utilization Review (retro-DUR) program will transition from Xerox to Catamaran. Catamaran will coordinate and manage the retro-DUR process, which includes contacting providers through correspondence to provide information pertaining to DUR Board interventions. Catamaran will also create articles pertaining to Board-approved retro-DUR topics for incorporation into DUR Board newsletters.

### **Claim appeal and administrative review procedures**

Claim appeal and administrative review procedures are outlined in [Chapter 10 – Claims Processing Procedures](#), Section 6 of the *IHCP Provider Manual*. Beginning on the implementation date, pharmacy providers must direct any requests for administrative review to Catamaran at the following address:

**Catamaran  
PO Box 44085  
Indianapolis, IN 46244-0085**

As a courtesy to providers, HP and Xerox will forward any misdirected claim appeal and administrative review correspondence to Catamaran for a period of 30 calendar days after the implementation date. After 30 calendar days following the implementation date, correspondence received by HP or Xerox will be returned to the provider for appropriate routing.

### **Payment and financial information**

As of the implementation date, Catamaran will be responsible for issuing pharmacy claims payment electronic Remittance Advice (RA) in the *Health Insurance Portability and Accountability Act* (HIPAA) standard 835 format. The IHCP is subject to the same rules and regulations as all other payers. As such, Catamaran is required to report payments made to providers annually through the 1099 reporting process. Providers do not need to submit any new information to facilitate this process.

### **Rate setting**

Catamaran will manage all aspects of the administration of the Indiana Medicaid State Maximum Allowable Cost (MAC) Program for Federal Legend Drugs, Blood Factors, and Over-the-Counter (OTC) Drug Formularies. Catamaran will be responsible for the development and ongoing maintenance of all such rates, as well as for the day-to-day administration of the State MAC Program.

### **Other pharmacy-related program information**

#### ***Call center***

Catamaran will host a call center that will respond to technical and clinical pharmacy-related inquiries, such as PA requests and questions related to pharmacy claim audits. Member calls related to pharmacy benefits will also be addressed by Catamaran. The Catamaran Clinical/Technical Help Desk will be functional on the implementation date, and will be open 24 hours a day, seven days a week. Calls related to provider enrollment, physician-administered drugs, Web interChange, and all other nonpharmacy calls will continue to be handled by HP. The Catamaran Clinical/Technical Help Desk number is (toll free) 1-855-577-6317. This number will also be published under the [Pharmacy Services](#) link on indianamedicaid.com.



**Preferred Drug List and Over-the-Counter Drug Formularies**

The PDL and OTC Drug Formularies are not changing as a result of this transition. All existing PDL limits and requirements remain in effect. As of the implementation date, a copy of the PDL and OTC Drug Formularies will be available under the [Pharmacy Services](#) link on indianamedicaid.com. Beginning on the implementation date, pharmacies and prescribers should contact Catamaran with any questions related to the PDL or OTC Drug Formularies. The Catamaran Clinical/Technical Help Desk number is (toll free) 1-855-577-6317. The number will also be published under the [Pharmacy Services](#) link on indianamedicaid.com.

**Pharmacy-related prior authorization**

Criteria used in PA determinations will not change as a result of the transition. Existing PAs, including start and end dates, will be transferred to Catamaran; providers need not take any action regarding existing PAs. Pharmacy providers and prescribing practitioners should direct any PA-related questions or requests to Catamaran beginning on the implementation date. The Catamaran Clinical/Technical Help Desk number is (toll free) 1-855-577-6317. The number will also be published under the [Pharmacy Services](#) link on indianamedicaid.com.

**E-Prescribing**

Catamaran, through its existing affiliations with e-prescribing switching vendors, Surescripts and Allscripts, will enhance prescriber's existing e-prescribing capabilities by providing access to member eligibility, formulary, and medication history information.

**Pharmacy audit**

All pharmacy auditing responsibilities will be transitioned from HMS (formerly PrudentRx) to Catamaran. The Catamaran audit programs consist of the following modules for auditing the IHCP pharmacy benefit program:

- Real-Time/Telephone Audits
- Desktop Audits or Investigational Audits
- Onsite Reviews (OSRs)
- Focused Investigative Audits (FIAs)

**Website**

Effective on the implementation date, indianapbm.com will no longer be a functioning website. All information previously on indianapbm.com, including current reference forms and materials that continue to be relevant, will be consolidated under the [Pharmacy Services](#) link on indianamedicaid.com, including the following:

- Current and archived PDLs
- Current and archived OTC drug formularies
- All pharmacy-related PA forms
- Pharmacy-related frequently asked questions (FAQs) for providers and members
- Therapeutic Committee meeting agendas and minutes
- DUR Board meeting agendas and minutes

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***It is important to note that with the transition to the new PBM, some of the commonly referenced web pages will be found in new locations. All web pages will continue to be readily accessible, however, through the [Pharmacy Services](#) quick link on the provider home page of indianamedicaid.com. If you have set bookmarks for these resources, new bookmarks will need to be established.***

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- Drug Efficacy Study Implementation (DESI) drug list
- Indiana Medicaid State MAC list

Catamaran's web pages containing Indiana Medicaid pharmacy benefit information will be accessible under the [Pharmacy Services](#) link on indianamedicaid.com beginning on the implementation date. [Chapter 9 – IHCP Pharmacy Services Benefit](#) of the *IHCP Provider Manual* will continue to outline pharmacy policy and procedures, with updates to reflect the PBM transition, and be accessible on the [Manuals](#) page of indianamedicaid.com.

#### QUESTIONS?

If you have questions about this publication, please contact Customer Assistance at (317) 655-3240 in the Indianapolis local area or toll-free at 1-800-577-1278.

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