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GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS



Frederick P. Cerise, M.D., M.P.H.
SECRETARY

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Dear Pharmacy Provider:

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) made prescription drug coverage, also known as Medicare Part D, available to all Medicare beneficiaries. Prescription drug coverage will be available through private prescription drug plans (PDPs), which offer only prescription drug coverage, and Medicare Advantage Plans (MA PDs), which offer drug coverage integrated with the health coverage provided by the managed care plan.

Full benefit dual eligibles are individuals who are entitled to Medicare Part A and/or Part B as well as eligible for full Medicaid benefits. Effective January 1, 2006, full benefit dual eligible Medicaid recipients **will no longer receive** their pharmacy benefits through the Louisiana Medicaid Pharmacy Program with the exception of some drugs excluded from the Part D benefit. See the specific Medicare Part D information below.

The Louisiana Medicaid Pharmacy Benefits Management Section recently added coverage of Sildenafil citrate (Revatio®) when indicated for the treatment of Primary Pulmonary Hypertension. See the detailed information below for the requirements of documentation and submission.

Your service to our recipients is greatly appreciated.

Sincerely,

Ben A Bearden
Medicaid Director

BAB/MJT/alp

MEDICARE PART D

Enrollment

Full benefit dual eligibles must enroll in Medicare Part D in order to continue receiving prescription drug coverage. No premiums or deductibles will be required from these beneficiaries for Medicare prescription drug coverage.

The Centers for Medicare and Medicaid Services (CMS) have auto-assigned on a random basis, full benefit dual eligibles into a PDP whose premium is at or below the low-income premium subsidy amount. These Medicaid recipients have been notified of their plan assignment. Full benefit dual eligible Medicaid recipients have an opportunity to change to a prescription drug plan that better fits their medication needs during open enrollment that began November 15, 2005. Full benefit dual eligibles may opt-out of their assigned plan by December 31, 2005 or they will be enrolled in their CMS assigned prescription drug plan.

Dual eligibles who are currently enrolled in a Medicare Advantage Plan (MA PD) will be auto-enrolled in the Part D benefit of that MA PD.

Should a dual eligible Medicaid recipient elect not to be covered by a Part D plan, that recipient will not be allowed to receive prescription coverage from Medicaid.

Full benefit dual eligibles are entitled to a Special Enrollment Period and can therefore change at any time.

Lock-In Recipients

Beginning January 1, 2006, full benefit dual eligibles who are currently in the Lock-In program will no longer be restricted by the Lock-In program. These recipients will no longer be locked into one specific pharmacy and/or specific physician.

Medicare Part D Prescription Drug Coverage

Medicare Part D covered drugs include most prescription drugs, biological products, certain vaccines, insulin, and medical supplies associated with the injection of insulin (syringes, needles, alcohol swabs, and gauze). Some drugs will be excluded from Medicare Part D coverage as they are part of the Medicaid non-mandatory coverage provisions under sections 1927 (d)(2) and (d)(3) of the Social Security Act or they are covered by Medicare Part A or B. The one exception is smoking cessation products, such as nicotine patches and gum, which will be covered by Medicare Part D. Reimbursement of prescription claims is determined by each individual prescription drug plan.

An incoming pharmacy claim for a Part D covered drug submitted to Louisiana Medicaid will deny with:

NCPDP rejection code 41 (Submit Bill to Other Processor or Primary Payor) mapped to EOB code 535 (Bill Medicare Part D).

There is no override of this rejection.

Medicaid Prescription Drug Coverage for Full Benefit Dual Eligibles

To the extent that the Louisiana Medicaid Program covers the following Medicare excluded drugs for Medicaid recipients who are not full benefit dual eligibles, Medicaid will be required to cover the excluded drugs for full benefit dual eligibles:

Medicaid Prescription Drug Coverage for Full Benefit Dual Eligibles, continued

- Benzodiazepines
- Barbiturates
- Agents when used for anorexia, weight loss, weight gain (Xenical® only)
- Agents when used to promote fertility (Only when used for non-fertility treatment as described under specific state criteria.)
- Agents when used for cosmetic purposes or hair purposes (Accutane® only)
- Prescription vitamins and mineral products, except prenatal vitamins and fluoride (Limited drugs)
- Nonprescription drugs (Limited drugs)

All existing Louisiana Medicaid Pharmacy Program limits (i.e. drug manufacturer's requirement to participate in the Federal Rebate Program), co-payments and reimbursement policies apply to the Part D excluded prescriptions paid by Louisiana Medicaid.

Pharmacy providers will receive the following educational edit with Medicaid paid claims for Part D excluded drugs:

NCPDP rejection code 41 (Submit Bill to Other Processor or Primary Payor) mapped to **EOB code 537** (OBRA 90 Excluded Drug)

Louisiana Medicaid will not cover PDP or MA PD non-preferred drugs, as there is a Medicare appeal process to obtain these medications.

Co-payments

Small co-payments of \$1.00 to \$5.00 for each Medicare Part D prescription will be required. However, co-payments do not apply to beneficiaries in nursing homes or in an Intermediate Care Facility for the Mentally Retarded (ICF/MR). The Medicaid co-payment schedule will apply for prescriptions for those Part D excluded drugs that are covered by Medicaid.

Medicare Part B Covered Drugs

Medicare Part B will continue to reimburse pharmacy providers for some prescription drugs. Medicaid will continue to pay deductibles and coinsurance amounts for these prescription services for full benefit dual eligible Medicaid recipients.

Medicare Part D will not cover those medications reimbursed by Medicare Part B. However, should Medicare Part B deny coverage because the drug does not meet the criteria for a Part B covered indication, the pharmacy provider should contact the Part D prescription plan.

An incoming pharmacy claim for a Part B covered drug submitted to Louisiana Medicaid will deny with:

NCPDP rejection code 41 (Submit Bill to Other Processor or Primary Payor) mapped to **EOB code 536** (Bill Medicare Part B).

There is no override of this rejection.

Contacts

For the latest Medicare Part D information and educational resources, pharmacy providers may log onto the CMS provider's page at <http://www.cms.hhs.gov/medlearn/drugcoverage.asp>. Here, medical professionals can learn about and prepare for the new Medicare prescription drug coverage. It includes links to frequently asked questions as well as to regulations and guidance.

SILDENAFIL CITRATE (REVATIO®)

Effective November 22, 2005, Louisiana Medicaid began reimbursing for Sildenafil citrate (Revatio®) when prescribed for Primary Pulmonary Hypertension. For proper reimbursement, an appropriate ICD-9-CM diagnosis code will be required on all prescriptions. The following diagnosis codes are acceptable:

<u>ICD-9-CM Code</u>	<u>Description</u>
416.0	Primary pulmonary hypertension
416.8	Other chronic pulmonary heart disease

One of the above numeric codes must be documented on the hardcopy prescription by either the prescriber or the pharmacist. The ICD-9-CM code may be communicated to the pharmacist electronically, via telephone or facsimile.

Pharmacy claims for prescriptions for Sildenafil citrate (Revatio®) shall be submitted with an ICD-9-CM diagnosis code in **NCPDP field 424-DO** (Diagnosis code). Claims submitted without an appropriate diagnosis code or without any diagnosis code will deny with:

NCPDP rejection code 39 (Missing or Invalid ICD-9 CM Diagnosis Code) which is linked to **EOB code 575** (Missing or invalid ICD-9-CM Diagnosis Code).

Drug to Drug Interaction with Nitrates

Due to a drug interaction between Sildenafil citrate (Revatio®) and nitrates, pharmacy claims for nitrates will deny when there is an active claim on the drug file for Sildenafil citrate (Revatio®). Conversely, pharmacy claims for Sildenafil citrate (Revatio®) will deny when there is an active prescription on the recipient's file for a nitrate.

If there is an active claim on file, the incoming claim will deny with:

NCPDP rejection code 88 (DUR Reject Error), which is linked to **EOB 471** (Drug to Drug Interaction, Sildenafil with Nitrates).

The pharmacist may override this drug to drug interaction denial upon consultation with the prescriber. The pharmacist must **document** on the hardcopy prescription the **reason** the prescriber required the patient to receive a nitrate with Sildenafil citrate (Revatio®). In addition, the pharmacist must **document** on the hardcopy prescription the **codes** listed below (**DD**-Reason for service code, **MØ**-Professional Service Code and **1G**-Result of service Code) which also must be supplied with the Point of Sale submission:

NCPDP field 439-E4 – Reason for service code – DD, Drug-Drug Interaction
NCPDP field 440-E5 – Professional Service Code – MØ, Prescriber consulted
NCPDP field 441-E6 – Result of Service code – 1G, Filled with Prescriber Approval

Procedures in the pharmacy audit program have been established to verify the provider's documentation and compliance associated with program policy. Therefore, pharmacists are reminded to document diagnosis codes, reason for overrides and DUR (Reason for service code, Professional Service Code and Result of service Code) override codes on the hardcopy prescription.

In the future, as new drugs are added to the same therapeutic class as Sildenafil citrate (Revatio®), which is used in the treatment of Primary Pulmonary Hypertension, these new edits and policy will be applicable.