



State of Louisiana
Department of Health and Hospitals
Bureau of Health Services Financing

September 20, 2013

Dear Medicaid Provider:

Re: Short-Acting Beta₂ Agonist Inhalers and Omalizumab (Xolair®) Policy Changes for Bayou Health Shared Plans and Legacy Medicaid

The Louisiana Medicaid Pharmacy Program would like to make prescribers and pharmacy providers aware of new policies regarding the use of short-acting beta₂ agonist inhalers (albuterol, levalbuterol, and pirbuterol) and the monoclonal antibody, omalizumab. These policies will become effective October 1, 2013.

Frequency of use of short-acting, beta₂ adrenergic agonists is a good measure of asthma control. Increasing use of these inhalers generally indicates inadequate asthma control and the need for medication reevaluation by the prescriber. The goal of this policy is to – when there appears to be overutilization – foster communication between recipients, prescribers, and pharmacists. Therefore, per calendar year, a maximum of six (6) short-acting beta₂ agonist inhalers will be processed without prescriber consultation.

Omalizumab (Xolair®) is a monoclonal antibody reserved for patients twelve (12) years of age and older with moderate to severe, persistent allergic asthma symptoms inadequately controlled with inhaled corticosteroids. Prescribers should reassess the need for continued therapy with omalizumab based upon the patient's disease severity and level of asthma control.

If you have questions regarding this correspondence, you may contact Melwyn B. Wendt at 1-800-437-9101 or send a fax to 225-342-1980. Your continued cooperation and support of Louisiana Medicaid and Bayou Health Shared Plans are greatly appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "Rebekah Gee".

Rebekah Gee, MD, MPH, MSHPR, FACOG
Medicaid Medical Director

RG/mbw

Short Acting Beta₂ Agonist Inhalers

An ICD-9-CM diagnosis code must be documented on prescriptions for albuterol, levalbuterol, and pirbuterol inhalers. On pharmacy claims, the diagnosis code must be submitted in **NCPDP field 424-DO**. Claims submitted with a diagnosis associated with chronic obstructive pulmonary disease, emphysema, or cystic fibrosis will bypass the limit; however, the diagnosis code must be entered in the diagnosis field NCPDP field 424-DO to determine the exemption.

Diagnosis codes which bypass the 6-inhaler limit are noted below:

ICD-9-CM	Diagnosis Description
277.0-277.09	Cystic fibrosis
490	Bronchitis, not specified
491.2-491.22	Obstructive chronic bronchitis
492-492.8	Emphysema
493.2	Chronic obstructive asthma
496	Chronic airway obstruction

Claims submitted without a diagnosis code will deny with:

NCPDP rejection code 39 (Missing or invalid diagnosis code) mapped to
EOB code 575 (Missing or invalid ICD-9-CM diagnosis code).

When the prescriber does not indicate a diagnosis code on the prescription and the prescriber cannot be reached, a denial for a missing diagnosis code may be overridden by:

entering **“03” in NCPDP field 418-DI** (Level of Service) specifying an emergency.

Claims in excess of the 6-inhaler limit that do not include a diagnosis code listed in the table will deny. These claims will deny with:

NCPDP rejection code 76 (Quantity and/or days supply exceeds program maximum)
Mapped to
EOB 457 (Quantity and/or days supply exceeds program maximum)

If the prescriber chooses to exceed the limit, the prescriber must provide the reason why the limit needs to be exceeded. The pharmacist may override the limit after consultation with the prescriber. The pharmacist must document on the hardcopy prescription or in the pharmacy's electronic recordkeeping system (1) the prescriber's reason why the limit needs to be exceeded, and (2) the NCPDP DUR override codes used in submitting the claim.

The pharmacist must submit the following in:

- NCPDP 439-E4** field (Reason for Service Code) - EX (Excessive Quantity)
- NCPDP 440-E5** field (Professional Service Code) - M0 (Prescriber Consulted)
- NCPDP 441-E6** field (Result of Service Code) – 1G (Filled with Prescriber Approval)

Omalizumab (Xolair®)

An appropriate ICD-9-CM diagnosis code must be documented on prescriptions for omalizumab. On pharmacy claims, the diagnosis code must be submitted in **NCPDP field 424-DO**. Only claims submitted with an allergic asthma-related diagnosis code will be processed for payment. Claims submitted without a diagnosis code or a diagnosis code not related to allergic asthma will deny with:

NCPDP rejection code 39 (Missing or invalid diagnosis code) mapped to
EOB code 575 (Missing or invalid ICD-9-CM diagnosis code).

Acceptable diagnoses codes are:

ICD-9-CM	Diagnosis Description
493.0	Allergic (extrinsic) asthma
493.00	Allergic (extrinsic) asthma unspecified
493.01	Allergic (extrinsic) asthma with status asthmaticus
493.02	Allergic (extrinsic) asthma with acute exacerbation

An appropriate diagnosis code must be entered on the claim. Recipients must be twelve (12) years of age or older on the date of service. There are no provisions for overrides through the Point of Sale system.