



STATE OF NEW YORK DEPARTMENT OF HEALTH

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Commissioner

Dennis P. Whalen
Executive Deputy Commissioner

February 10, 2006

Important Information about NYS Temporary Medicaid Coverage for Dual Eligibles.

Dear Pharmacy Provider:

First, I would like to extend my appreciation for all of the efforts extended by New York State pharmacists on behalf of those enrolled in both Medicaid and Medicare (dual eligibles) over the past month. We are very aware that pharmacists have played a critical role in the difficult transition to Medicare Part D, and I want to personally thank you for all of the special assistance provided to our recipients over the past month. We are working closely with CMS to help identify and resolve implementation issues being encountered in New York with this new program.

In addition, on January 13, 2006, Governor George Pataki directed the Department of Health to temporarily allow pharmacists to bill Medicaid for pharmacy claims for full benefit duals when they tried, but were unable, to access Medicare Part D coverage. Only claims for dual eligibles, with dates of service on January 1, 2006 and after are included under this temporary coverage.

This temporary Medicaid coverage is continuing, however beginning February 16th, 2006, **the NYS Medicaid program will require an additional verification process be used as part of the billing procedure for all claims submitted under this temporary coverage.** Pharmacists will be required to use this new process, which verifies to Medicaid that the pharmacy was qualified to bill Part D, and that Medicare coverage was attempted and failed.

Revised Directions for Billing for Medicaid Coverage –The pharmacists must complete all necessary CMS procedures to assure Medicare Part D coverage (see below). When these procedures are attempted, and coverage by Part D has failed, the pharmacist may submit a claim to Medicaid.

The claim **MUST** include the following additional information, which verifies that the pharmacist has attempted, and failed to bill Medicare, in order to receive payment approval:

- a. A value of '2' (Override) in the Eligibility Clarification Code – Field 309-C9
- b. A value of '03' (Other coverage, Claim not covered) in the Other Coverage Code – Field 308-C8
- c. A value of '07' (Medicare Approved) in the Other Payer Amount Paid Qualifier – Field 342-HC
- d. A value of '0.00' (dollar amount) in the Other Payer Amount Paid – Field 431-DV

Note: If your billing system does not allow for the entry of the '07' qualifier and the '0.00' dollar amount in fields 342-HC and 431-DV, it is acceptable to leave them blank.

All Medicaid rules apply to claims submitted for payment under this temporary coverage. If the drug requires prior authorization under NYS Medicaid, the prescriber and pharmacist must complete the PA process for duals by calling 1-800-292-7004.

This new verification process will remain in place until the Commissioner has determined that operational problems associated with the implementation of Part D have been resolved and that temporary Medicaid coverage is no longer necessary. Medicaid will continue to keep pharmacists apprised of changes to this policy through the Medicaid Update and through the pharmacy associations.

Procedures for Billing Medicare: Pharmacists are reminded to first use the following processes when experiencing difficulty with their patients' Medicare plan enrollment, cost sharing, or payment:

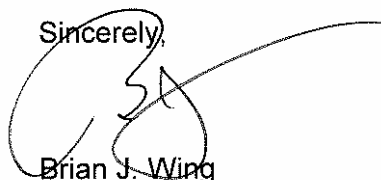
1. *Check for enrollment in a Part D plan, by asking for a plan ID card or other documentation from a Part D plan, **or**, submit an E1 query.* If the E1 response is only a telephone number, call that telephone number to obtain the billing information from the plan. Pharmacists can also get information on a beneficiary's enrollment, and on how to contact the plan, by calling **Medicare's dedicated pharmacy assistance line (1-866-835-7595)**, which is available 24/7.
2. *If the individual is enrolled in a plan, but is not being charged the correct dual-eligible co-payment amounts, **contact the drug plan** (which has expedited access for pharmacy requests to adjust co-payments), **or**, if the situation is urgent and other steps have not worked, **contact Medicare's pharmacy assistance line** for urgent caseworker assistance for the beneficiary.*
3. *If there is no evidence of a Part D plan enrollment but there is clear evidence of both Medicare and Medicaid eligibility (for example, a Medicare card and a Medicaid card or prior history of Medicaid prescription coverage at the pharmacy) **bill the POS Contractor (WellPoint) for the claim.*** The pharmacist can also call the dedicated pharmacy assistance line to confirm that the beneficiary is in Medicare.

Need More Information? Additional Medicare Part D information and updates for pharmacists is available through the CMS website: <http://www.cms.hhs.gov/pharmacy/>. Pharmacists may also sign up to receive updates from CMS directly via email. To sign up for this **PHARMACY_MMA-L** listserv, please visit: <http://new.cms.hhs.gov/apps/maillinglists/>.

Questions regarding these new NYS Medicaid billing procedures may be directed to 1-800-343-9000. Questions regarding pharmacy policy may be directed to 1-518-486-3209.

Thank you for your assistance.

Sincerely,



Brian J. Wing
Deputy Commissioner
Office of Medicaid Management