

# Chapter 21

## Pharmacy Services

This chapter contains basic pharmacy services information.

### **Prime Therapeutics**

Prime Therapeutics manages pharmacy network and administration of benefits for all SCHA Minnesota State Health Care Programs (PMAP, Minnesota Care, MSC+, SeniorCare Complete-MSHO and AbilityCare-SNBC).

Providers should refer to Prime Therapeutics web site for detailed information.

### **Provider Contact information:**

Prime Therapeutics Pharmacy Help Desk: 1-866-325-5233

Website: [www.myprime.com](http://www.myprime.com)

### **Member Contact information:**

South Country Health Alliance Member Services 1-866-567-7242

**BIN and PCN by Program and Group Number** ([click link](#))

**Medicare Part D:** ([click links below](#))

***AbilityCare:Formulary***

***AbilityCare PA/QL/ST Forms***

***SeniorCare Complete Formulary***

***SeniorCare Complete PA/QL/ST Forms***

**Medicaid:** ([click links below](#))

***PMAP, MNCare, and MSC+ Formulary***

***PMAP, MN Care, and MSC+ Universal Formulary Exception Request Form***

***PMAP, MN Care, and MSC+ Quantity Limit Request Form***

## **Definitons:**

### ***Prior Authorization***

Prior authorization requires specific criteria to be met before the medication is covered under the member's current prescription benefit. Medications are chosen for inclusion in the prior authorization program if the medications have actual or potential misuse, overuse or inappropriate use that could be of clinical concern, economic concern or both.

### ***Formulary Exception***

The formulary exception process allows for a drug to be covered when it is non-formulary. This process applies only to closed formularies. To be considered, the drug must be eligible for coverage (i.e.; not excluded such as fertility drugs, weight loss drugs, and erectile dysfunction drugs). The criteria for formulary exceptions are as follows:

- The patient has tried and failed one or more formulary alternatives (if applicable) for the diagnosis being treated;
- The formulary drugs are contraindicated for the patient (e.g. formulary drugs cause an adverse reaction in the patient);
- The patient has been stabilized on the requested medication for 90 days or more; or
- The provider demonstrates to Prime Therapeutics that the prescription drug must be dispensed as written to provide maximum medical benefit to the patient

### ***Dispense as Written - Brand Necessary (DAW)***

If the prescriber has determined that it is medically necessary for a brand name to be dispensed, "Dispense As Written - brand necessary" or "DAW - brand necessary" must be written on the prescription in their own handwriting. A checked DAW box or a typed DAW is not acceptable.

A verbal order to the pharmacist must be followed with a hard copy prescription bearing "Dispense As Written - brand necessary" in the prescriber's own handwriting. This applies to both ambulatory and long term facility clients.

It is the prescriber's responsibility to provide the handwritten "DAW - brand necessary" requirements to the pharmacist. It is the pharmacist's responsibility to have a prescription bearing the prescriber's handwritten "Dispense As Written - brand necessary" on file in the pharmacy.

Refer to Minnesota Statutes, section 151.21 for exact requirements for brand dispensing at <http://www.revisor.leg.state.mn.us>

SCHA grants exceptions to the formulary if the provider prescribing the drug provides documentation to Prime Therapeutics that the prescription drug is dispensed as written to provide maximum medical benefit to the patient and provides this information to Prime Therapeutics who handles medical exceptions for SCHA.

## Coverage for Anti-psychotic Drugs (Minnesota Statutes 2001, 62Q.527)

SCHA provides prescription drug coverage for anti-psychotic drugs prescribed to treat an emotional disturbance or mental illness regardless of whether the drug is on Prime Therapeutics drug formulary.

### **For any non-formulary anti-psychotic drugs to be covered, the health care provider prescribing the drug must:**

- Indicate to the dispensing pharmacist, orally or in writing, that the prescription must be dispensed as communicated; and
- Certify in writing to Prime Therapeutics that the health care provider has considered all equivalent drugs in the health plan's drug formulary and has determined that the drug prescribed will best treat the patient's condition.

SCHA is not required to provide coverage for a drug if the drug was removed from the drug formulary for safety reasons. Medicaid members are not charged a special deductible, co-payment, coinsurance, or other special payment requirement that does not apply to drugs that are in the health plan's drug formulary; or require written certification from the prescribing provider each time a prescription is refilled or renewed that the drug prescribed will best treat the patient's condition. The continuing care benefit shall be extended annually as long as the provider prescribing the drug shall continue to meet the initial requirements.

### ***Quantity Limits***

For certain drugs, SCHA will limit the amount of the drug that it will cover. The intent of quantity limits is to encourage appropriate prescribing quantities as recommended by FDA approved product labeling and to encourage cost-effective prescribing when lower quantities of a higher strength are equivalent to the prescribed dose

### ***Step Therapy***

Step therapy encourages utilization of select medications to ensure member safety while managing the cost of specific medications. Step therapy typically targets high-cost drugs and drug classes or drugs that have a high potential for misuse or abuse or targets drugs with specific clinical uses for certain member populations. Therefore, the SCHA member will be required to first try certain drugs before another drug will be covered for that medical condition.

### **Coverage:**

#### ***Covered Items***

- Diabetic supplies, including: Insulin, Glucometers, blood and urine test strips (i.e.; Acetest, Clinistix, Keto Diastix, Chem Strips BG, Destrostix, Glucoscan, Clinitest, Keto Diastix), test tape, and lancets. Member may receive the quantity needed to administer monthly insulin.
- Oral contraceptives;
- Anti-psychotics;

- Diaphragms;
- Some prescription prenatal vitamins;
- Prescription drugs and selected over-the-counter items when prescribed by a licensed doctor, dentist, or other licensed practitioner authorized to prescribe drugs are covered if included in the MMSI formulary. For over-the-counter medications, please refer to the OTC covered listing at the Minnesota Council of Health Plans website at <http://www.mnhealthplans.org>

### ***Non-covered Items***

- Drugs determined to be less-than-effective (DESI) by the FDA and drugs identified as identical, related or similar to DESI drugs;
- Drugs which are made by manufacturers that do not have a rebate agreement with CMS;
- Drugs which are limited or excluded by the state as allowed by federal law (OBRA 90);
- Drugs dispensed after their expiration date;
- The cost of shipping or delivering a drug;
- Drugs both legend and OTC, that are not prescribed by practitioners licensed to prescribe or that are not prescribed within their scope of practice;
- Herbal or homeopathic products; nutritional supplements except as specifically allowed in this Provider Manual or in DHS Provider Updates;
- Drugs which require prior authorization and for which prior authorization criteria have not been met; and
- Appetite suppressants, except Xenical, which is covered when criteria is met.

### ***Covered Miscellaneous Medical Supplies***

Some selected medical supplies can be submitted with a valid NDC code.

### ***Covered Over The Counter (OTC) Items***

Over the counter (OTC) medications must be dispensed in the manufacturer's unopened container. Any OTC drug available in packaging designed for OTC sale to the public must be dispensed in that original packaging. Exception: bulk liquids may be re-packaged. An updated list can be found on the DHS website in the Provider's Manual under Pharmacy Services.

### **Eligibility:**

Eligibility status of a member should be available at the time the prescription drug claim is entered into the Prime Therapeutics claims payment system via the point of sale (POS) entry. It is absolutely essential to have the SCHA member ID number in order to access eligibility. If members do not have their SCHA member ID card or know their ID number, it will be necessary to contact SCHA Member Services at 866-567-7242.

Minnesota Health Care Program recipients enrolled in South Country Health Alliance are not allowed to pay cash for any medications covered by SCHA except for the drug co-pays. Pharmacies may bill a recipient for non-covered medications only when

SCHA never covers the medications and only if the pharmacist informs the recipient that he/she will be responsible for payment. If someone presents to the pharmacy and states that they do not have insurance coverage, the pharmacy must verify eligibility through MN-ITS to confirm that the person is not covered by SCHA. If the person is covered by SCHA, pharmacies must not accept cash from the recipient for any prescriptions.

**Restricted Recipient Program:**

South Country Health Alliance members who are in the Restricted Recipient program, can be identified through MN-ITS. Restricted Recipient program members are limited to filling prescriptions at one pharmacy which is indicated on the MN-ITS system. If a restricted member requests to fill a prescription at a non authorized pharmacy, they should be referred back to their restricted pharmacy. Restricted Recipient program members are not allowed to pay cash for covered medications except for their co-pays.

**Acceptable Pharmacy Practices:**

A prescribed drug must be dispensed in the quantity specified on the prescription unless the specified quantity is not available in the pharmacy when the prescription is dispensed. Only one dispensing fee is allowed for dispensing the quantity specified on the prescription.

An initial or refill prescription for a maintenance drug must be dispensed in not less than a 34-day supply unless the pharmacy is using unit dose dispensing or the drug is clozapine or antimalarial medications. Except as described below or unless the drug is clozapine, the dispensing fee billed by or paid to a particular pharmacy or dispensing physician for a maintenance drug is limited to one fee per 34-day supply.

**Claims:**

***Point of Sale Claim Submission***

Claims must be submitted to Prime Therapeutics through a communication network. The system or device vendor will identify which communication network should be used before a pharmacy can begin processing claims. The pharmacy must contact the communication network or software vendor to obtain the phone number that allows access to the communication network.

The same information must be provided for claims submitted point of sale as is provided on the Universal Claim Form.

Claims must be submitted with a standard and valid NDC code.

When submitting claims through point of sale, you are required to submit the SCHA member ID number and the appropriate carrier group numbers, which are on the member ID card.

Prime Therapeutics will identify whether a claim has been accepted or rejected. If the claim is accepted, Prime Therapeutics will identify the amount to be paid. They will provide additional informative messages when possible (i.e. the quantity allowed is less than submitted). If the claim is rejected, they will identify the reason(s) the claim was rejected. If the reason provided for a rejected claim is unclear, contact the Prime Therapeutics Pharmacy Help Desk at 1-866-325-5233. Please have your NPI, prescription number, and member ID number available when you call.

To resubmit a claim previously accepted through point of sale, first submit a reversal. A reversal must be submitted when a member fails to pick up a filled prescription. Please refer to your system documentation or vendor for information about submitting reversals. Claims that are over 90 days old must be appealed on paper. Claims under 90 days old use the online POS system.

If the pharmacy system or point of sale device is unable to make a connection with the Prime Therapeutics computer system, contact the communication network vendor.

If you have a question about the reimbursement for a claim, contact Prime Therapeutics Pharmacy Help Desk at 1-866-325-5233.

#### ***Point of Sale Coordination of Benefits***

If a member has dual prescription coverage, SCHA is always the secondary payer. The prescription claim is first processed through the primary insurance. The amount paid by the primary payer is then submitted for the SCHA member ID.

#### ***Universal Claim Form (UCFs) Submission and Coordination of Benefits (COB) Claims***

COB claims are to be submitted on the Universal Claim Form. The UCF has to be completed with the same information as primary claims: the name of the member and their member ID number, the Carrier/Group number, date filled and written, pharmacy name, address and pharmacy number, NDC of the drug prescribed, quantity, days supply, other coverage, and the ingredient cost, the dispense fee box should be left blank, and the balance should reflect the copayment amount due. All COB claims are to be identified by printing COB/co-pay at the top of the claim form.

Medicare Part D COB claims should be filed on-line.

#### **Completed UCFs should be mailed to**

**Medicare** claims can be sent to:  
Prime Therapeutics LLC  
P.O. Box 14429  
Lexington, KY 40512-4430

**Medicaid** claims can be sent to  
Prime Therapeutics LLC  
P.O. Box 64812  
St. Paul, MN 55164-0812

**Audit:**

***Pharmacy Claims Audit Practice***

<http://www.primetherapeutics.com/pdf/ProviderManual.pdf>

**Miscellaneous Information:**

***Lost Drugs***

SCHA/Prime Therapeutics should not be billed again if medication sent to a long-term care facility is lost or damaged. If the pharmacy lost the medication before delivering it to the facility, the pharmacy must send a replacement supply to the facility without billing SCHA or the recipient. If the facility lost the medication after it was delivered, the pharmacy must send a replacement supply that should be billed to the facility not to SCHA or the recipient.

***Pass Medications, School or Job Medication Supplies***

If a Medical Assistance recipient, especially a resident of a nursing facility or group home needs a small quantity of medication for passes, school, a job, or day programs, the pharmacy cannot bill SCHA separately. For example, if a recipient receives Carbamazepine 200mg TID, the pharmacy cannot separately bill for 70 tablets for use in a group home and 20 tablets for use at school. The total 90 tablets must be billed at one time to SCHA. Of course, the pharmacist can then package the medication in any manner consistent with state and federal pharmacy laws and regulations. In this example, that might mean packaging 70 tablets in a unit dose container and 20 tablets in a vial. However, packaging the prescription in two containers does not entitle the pharmacy to two dispensing fees.

***"Catch-up" Supplies of Medication***

Some pharmacies that service long term care facilities dispense small "catch-up" supplies of medications if the facility runs out before the end of a billing cycle. For example, the pharmacy may have dispensed a 30-day supply only to have the facility call 25 days later indicating that it is out of the drug. The pharmacy then dispenses a 5-day supply and bills SCHA. Several days later, the pharmacy bills SCHA for another 30-day supply in order to get back on schedule. Current Minnesota Statutes and Rules prohibit this type of billing practice. If the facility has lost or damaged the drugs originally sent out, the facility should be billed for any "catch-up" supply that is sent. For other situations, the correct procedure is to dispense and bill for the next 30-day supply.