

Chapter 21

Pharmacy Services

South Country Health Alliance utilizes PerformRx as our Pharmacy Benefit Manager. PerformRx manages the pharmacy network and administers pharmacy claims and benefits for all SCHA members. PerformRx is a URAC accredited, clinician-led PBM that manages pharmacy benefits for over two million Medicare and Medicaid enrollees in the United States.

Providers should refer to PerformRx's website for important information, relevant forms, and valuable resources.

Provider Contact information:

Medicaid Pharmacy Helpdesk: 866-935-8874

Medicare Pharmacy Helpdesk: 866-935-6681

Website: www.performrx.com

Member Contact information:

South Country Health Alliance Member Services: 1-866-567-7242 (TTY 711)

BIN and PCN information:

	<u>BIN</u>	<u>PCN</u>
<u>Medicare:</u>	012353	06190000
<u>Medicaid:</u>	600428	06180000

Definitions:

Prior Authorization

A prior authorization requires specific criteria to be met before the medication is covered under the member's current prescription drug benefit.

Formulary Exception

The formulary exception process allows for a drug to be considered for coverage when it is non-formulary. To be considered, the drug must not be on the plan exclusion list.

The Medicaid exclusion list includes drugs in the following categories: erectile or sexual dysfunction, fertility enhancement, cosmetic purposes- including drugs to treat hair loss, drugs to promote weight loss, drugs not clinically proven to be effective and drugs used for experimental or investigational purposes.

Medicare excluded drugs include drugs to treat the following: anorexia, weight loss or weight gain (except to treat physical wasting caused by AIDS, cancer or other diseases), fertility, cosmetic purposes or hair growth, relief of the symptoms of colds, erectile dysfunction, prescription vitamins and minerals (except prenatal vitamins and fluoride preparations), and non-prescription (OTC) drugs.

Dispense as Written - Brand Necessary (DAW)

The prescriber has determined that it is medically necessary for a brand name medication to be dispensed.

SCHA grants exceptions to the formulary if the provider prescribing the drug provides documentation to PerformRx that the prescription drug is being dispensed as written to provide maximum medical benefit to the patient.

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

Coverage for Anti-Psychotic Drugs (Minnesota Statute Sec 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 the drug formulary.

For any non-formulary, anti-psychotic drug 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 PerformRx that the health care provider has considered all equivalent drugs on SCHA's drug formulary and has determined 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 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. 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 covered. Quantity limits are used to encourage appropriate prescribing quantities as recommended by FDA approved product labeling as well as 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, drugs that have a high potential for misuse/abuse, or drugs with specific clinical uses for certain member populations. When step therapy limitations are placed on a medication the SCHA member will be required to follow the step therapy requirements before the initial prescribed drug will be covered for the treating medical condition.

Coverage:

A searchable formulary is available on SCHA's website (www.mnscha.org). Through this portal you can identify the formulary status of drugs and any associated prior authorization, step therapy, or quantity limit program.

Eligibility:

Eligibility status of a member should be available at the time the prescription drug claim is entered into the PerformRx claims payment system via the point of sale (POS) entry. It is essential to have the SCHA member ID number 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 or obtain the information from MN-ITS.

Restricted Recipient Program:

SCHA 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:

Only one dispensing fee is allowed for a one month or a 90-days supply (Medicare only), unless the drug has more restrictive dispensing limitations. More than one dispensing fee per calendar month on a maintenance drug for a recipient is allowed if the record kept by the pharmacist or dispensing physician documents a significant chance of over dosage if a larger quantity of drug is dispensed, and if the pharmacist or dispensing physician writes this reason on the prescription.

An initial or refill prescription for a maintenance drug must be dispensed in not less than a 30-days supply, but no more than a 34-days supply (Medicaid only), unless the pharmacy is using unit dose dispensing or the drug has dispensing limitations more stringent than a 1 month supply.

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Pharmacies may repackage OTCs, but must still dispense the entire package quantity at each fill for all OTC medications used on a maintenance or an as needed basis. No additional or enhanced dispensing fee is available for the repackaging of OTC medications. Repackaged NDCs (by the manufacturer) are not covered.

Claims:

Point of Sale Claim Submission

Claims must be submitted to PerformRx through a communication network. PerformRx will identify which communication network should be used before a pharmacy can begin processing claims. The pharmacy must contact PerformRx to obtain the necessary information for accessing the communication network.

The same information must be provided for claims submitted at point of sale (POS) as is provided on the Universal Claim Form. Claims must be submitted with a standard and valid NDC code.

When submitting claims through POS, pharmacies are required to submit the SCHA member ID number and the appropriate BIN/PCN (located on the member ID card).

PerformRx will identify whether a claim has been accepted or rejected. If the claim is accepted, PerformRx will identify the amount to be paid. If the claim is rejected, they will identify the reason(s) the claim was rejected (i.e. the quantity allowed is less than submitted). If the reason provided for a rejected claim is unclear, contact PerformRx Provider Services:

Medicaid Pharmacy Helpdesk: 866-935-8874

Medicare Pharmacy Helpdesk: 866-935-6681

Please have your NPI, prescription number, and member ID number available when you call.

To resubmit a claim previously accepted through POS, first submit a reversal. A reversal must also be submitted when a member fails to pick up a filled prescription. Please refer to your system documentation or PerformRx for information about submitting reversals. Pharmacies should contact PerformRx for claims that are over 90 days old. Claims under 90 days old should be submitted through the online POS system.

If the pharmacy system or POS device is unable to make a connection with the PerformRx computer system, contact DST at 1-800-522-7487. If you have a question about the reimbursement for a claim, contact PerformRx Provider Services at the numbers listed above.

Coordination of Benefits (COB)

To submit a secondary co-pay amount, the claim must first be submitted to the primary payer. The claim then fully adjudicates with the secondary payer and pays the difference between what the primary payer pays up to what the secondary would pay (taking into consideration member responsibility). If the primary payer covers up to or more than the secondary pays based on contractual rates, then the secondary payer will not issue any additional payment for the claim. The primary plan benefit design will dictate drug coverage.

If no payment is made by the primary payer due to a high deductible, PerformRx will adjudicate the claim as primary. If no payment is made by the primary payer due to non-formulary medication, the pharmacy must go through the prior authorization process with the primary insurance.

Percentage off prescription drug discount cards are not to be considered insurance and cannot be used for SCHA members.

Note that Medicare Part D low-income subsidy (LIS) cost-sharing amounts are the responsibility of the member. It is not allowable to submit the member's cost-share to SCHA Medicaid via the COB process. Part B cost share (typically 20%) should be submitted as a COB to SCHA Medicaid.

PerformRx recommends that network pharmacies having difficulty with processing secondary claims on-line contact them for assistance; however, some issues will need to be managed by the pharmacy and their software vendor directly.

The COB on-line process will be monitored through the pharmacy audit process. It is important to keep the primary insurer's EOB on file for auditing purposes. *Insufficient documentation of the EOB may result in an audit reversal of claim.*

COB Overrides

The error code "090" received by a pharmacy means SCHA has record of the member having insurance coverage that is primary to SCHA. We place this block in the system for the pharmacy's benefit. The pharmacy must check with the member to verify the member's other primary insurance coverage. If the member states that he/she does not have other pharmacy coverage, the pharmacy is allowed to resubmit the claim using the **502** override code in the prior authorization field. Using the 502 override

code states that the pharmacy has verified with the member that they do not have other pharmacy coverage.

Should the pharmacy override the claim, and the member's other insurance coverage is verified as active, the pharmacy will be asked to reverse the claim(s) and submit to the primary payer.

If the pharmacy verifies the member does have other insurance, the 502 override should not be used and the pharmacy should resubmit the claim to the primary insurance,

If the pharmacy is unable to process the COB electronically, submit the co-pay manually on a universal claim form and indicate "Other Coverage, Yes" on the upper right-hand corner of the form.

Completed Medicare and Medicaid UCFs should be mailed to:

South Country Health Alliance
P.O. Box 516
Essington, PA 19029

"Early" Refill Requests

Early refill requests are managed by South Country's pharmacy benefit manager PerformRx. Pharmacies are encouraged to call the PerformRx Customer Care Center to request an early refill.

*** See Appendix A for the policy used regarding early refills for controlled and non-controlled medications.*

Accepting Cash Payments

Pharmacies are not allowed to accept cash payment, in lieu of member's copay, from a SCHA member or from someone paying on behalf of the member, for any SCHA covered prescription drug.

A pharmacy may accept cash payment for a non-covered prescription drug provided that:

- The member is not enrolled in the restricted recipient program.
- All available covered alternatives have been reviewed with the recipient.
- The pharmacy obtains a patient's (or authorized representative's) signature acknowledging his/her understanding that the prescription is not covered and he/she will have to pay for it.
- The prescription is not for a controlled substance (other than phentermine) or gabapentin.

If a member's SCHA eligibility status is in question and the recipient offers cash payment for prescriptions, the pharmacy must verify eligibility through MN-ITS or by calling SCHA's Member Services line.

Appendix A

SCHA Medicare and Medicaid Early Refill Policy		Is the circumstance eligible for early refill Yes/No		
#	Circumstance	Non-Controlled Medication	Controlled Medication <i>(Note: gabapentin follows controlled protocols)</i>	Early Refill Duration IF approvable
1.	Dose Increase			
a.	Prescriber increased the dose of the medication. New prescription provided. Pharmacist or prescriber MUST verify dose increase.	Yes	Yes	One time early refill up to 1 month supply per drug. Pharmacies are also able to use override code of 555555 at POS.
b.	Member increased dose of the medication. No new prescription from prescriber.	No	No	None
2.	Lost/Stolen/Damaged or Destroyed			
a.	Member does NOT reside in a **facility. If stolen, a copy of police report is required before the early refill is granted. Instruct the member to call South Country Member Services if assistance is needed.	Yes	No	A one-time early refill of up-to a 1 month supply for lost/stolen/spilled medication per 12 month period- Medicare or 6-month period- Medicaid.
b.	Member received early refill because of a lost, stolen, damaged, or destroyed medication once within the last six months.	No	No	None
c.	Member resides IN a **facility where the member's drugs are managed by the facility. The facility must replace the medication at its own cost.	No	No	None
3.	Inaccurate billing of day supply of first fill			

Appendix A

a.	Pharmacy entered the wrong days supply on the first fill. Request pharmacy to reverse and re-bill claim. If the DOS for the inaccurate claim exceeds the fill receive interval, PerformRx will submit to SCHA for review. If approval received, an override will be placed to allow pharmacy to rebill.	Yes	Yes	One time early refill up to one month supply per drug.
4. Change in **living arrangement				
a.	Change in **living arrangement where the member's drugs were managed by the facility. Medicare only.	Yes	Yes	One time early refill up to one month supply per drug. If unable to verify submit to SCHA for review. If approved, place early refill and contact pharmacy.
5. Discharge/release from hospital/correctional or detoxification center				
a.	Member was discharged from a hospital and the hospital kept the medications that were taken from the member at admission. Medicare only.	Yes	Yes	One time early refill up to one month supply per drug. If unable to verify submit to SCHA for review. If approved, place early refill and contact pharmacy.
b.	Member was released from a correctional facility or detoxification center and the facility kept the medications that were taken from the member. Medicare only.	Yes	No	One time early refill up to one month supply per drug. If unable to verify submit to SCHA for review. If approved, place early refill and contact pharmacy.
6. Travel				
a.	Member must travel out-of-state/out of country and will not return before the supply of a medication runs out.	Yes	No	Early refill is granted once every 12 months-Medicare or 6 months-Medicaid. One time early refill up to one month supply per drug.
7. School Supplies				
a.	Pharmacy is trying to be reimbursed for "school supplies" for the treatment of asthma or diabetes including inhalers or insulin.	Yes	No	Early refill is granted once every 12 months- Medicare or 6 months- Medicaid. Up to one month supply per drug.

Appendix A

***Living arrangements OR Facility could be a nursing home, inpatient rehabilitation, transitional care facility, residential treatment facility, ICF-DD facility, adult foster care, or assisted living.*