GLOSSARY AND ACRONYMS

This is a list of abbreviations, acronyms, and definitions used in the Pharmacy Program manual chapter.

Average Wholesale Price (AWP) – The published suggested wholesale price of a drug. It is often used by pharmacies as a cost basis for pricing prescriptions.

Bureau of Health Services Financing (BHSF) – The Bureau within the Louisiana Department of Health responsible for the administration of the Medicaid Program.

Centers for Medicare and Medicaid Services (CMS) – The government agency within the U.S. Department of Health and Human Services (DHHS) responsible for federal administration of the Medicare and Medicaid programs (Titles XVIII, XIX and XXI of the Social Security Act).

Date of Service – The date the prescription was dispensed to the beneficiary or the date the prescription was filled (date the prescription was prepared), depending on the pharmacy's Point of Sale (POS) system.

Department of Health and Human Services (DHHS) – The federal agency responsible for administering the Medicare and Medicaid Programs and other public health programs.

Drug Efficacy Study Implementation (DESI) Drugs – Drugs the Food and Drug Administration (FDA) has proposed to withdraw from the market because they lack substantial evidence of effectiveness.

Dispense as Written (DAW) – A prescribing directive issued by physicians to indicate that the pharmacy should not in any way alter a prescription. Such alterations are usually done in order to substitute a generic drug for the brand-name drug ordered.

Drug Utilization Review (DUR) – The quantitative evaluation of prescription drug use, physician prescribing patterns or patient drug utilization to determine the appropriateness of drug therapy.

Dual Eligible – Recipients who have Medicare and Medicaid coverage.

Eligible (For purposes of the Pharmacy Program) –An individual who has been determined to meet the Medicaid program's eligibility criteria and is enrolled in the program.

Estimated Acquisition Cost (EAC) – An estimate of the price generally, and currently, paid by providers for a drug marketed or sold by a particular manufacturer or labeler in the package size most frequently purchased by providers.

Federal Upper Limits (FUL) – The upper limit amount that Medicaid can reimburse for a drug product if there are three or more generic versions of the product rated therapeutically equivalent, and there are at least three suppliers listed in the current editions of published national compendia. These limits are intended to assure that the federal government acts as a prudent buyer of drugs. The upper limits program seeks to achieve savings by taking advantage of current market prices.

Fiscal Intermediary (FI) – The private fiscal agent with which DHH contracts to operate the Medicaid Management Information System. The FI processes claims for Medicaid services provided under the Medical Assistance Program, issues appropriate payment and provides assistance to providers on claims.

Full Benefit Dual Eligibles – A population of low-income elderly individuals and individuals with disabilities who qualify for both Medicare and Medicaid coverage. While Medicare covers basic health services, including physician and hospital care, full benefit dual eligibles rely on Medicaid to pay Medicare premiums and cost-sharing and to cover critical benefits Medicare does not cover, such as long-term care and some prescription drugs.

Intermediate Care Facility for Persons with Intellectual Disabilities (ICF/ID) – A public or private facility that provides health and rehabilitation services to people with intellectual disabilities. An ICF/ID has four or more beds and provides "active treatment" to the residents.

International Classification of Diseases, 10th Edition Clinical Modification (ICD-10-CM) (or its successor)– A standard listing of diagnoses and identifying codes used by physicians for reporting diagnoses of health plan enrollees. The coding and terminology provide a uniform language that can accurately designate primary and secondary diagnoses and provide for reliable, consistent communications on claim forms.

Lock-In – An educational program administered by the Medicaid pharmacy program staff which restricts certain Medicaid enrollees to a specific physician and/or pharmacy.

Intradialytic Parenteral Nutrition Therapy – A parenteral therapy provided to an end stage renal disease (ESRD) recipient while the recipient is being dialyzed.

Intravenous Nutrition – Also referred to as Total Parenteral Nutrition (TPN) or hyperalimentation therapy.

Long-Term Care – A set of health care, personal care and social services required by persons who have lost, or never acquired, some degree of functional capacity (e.g., individuals who are chronically ill, aged, have a physical, mental or intellectual disability) in an institution or at home, on a long-term basis. The term is often used more narrowly to refer only to long-term institutional care such as that provided in nursing facilities, homes for individuals with intellectual disabilities and mental hospitals. Ambulatory services such as home health care, which can also be provided on a long-term basis, are seen as alternatives to long-term institutional care.

Louisiana Department of Health (LDH) – The state agency responsible for administering the state's Medicaid Program and other health and related services, including aging and adult services, public health, behavioral health, intellectual disabilities and addictive disorder services.

Medicaid – A joint federal and state program that helps with medical costs for some individuals with limited income and resources according to approved Medicaid State Plans pursuant to Title XIX and XXI of the Social Security Act.

Medicaid Eligibility Verification System (MEVS) – Louisiana Medicaid's electronic eligibility verification system accessed through a switch vendor.

Medicaid Fraud – An act of any person with the intent to defraud the state through any medical assistance program created under the federal Social Security Act and administered by the Department. (R.S. 14:70.1)

Medicaid Management Information System (MMIS) – The computerized claims processing and information retrieval system for the Medicaid Program. This system is an organized method of payment for claims for all Medicaid covered services. It includes all Medicaid providers and eligible recipients.

Medicare – The federal health insurance program which provides coverage to the aged and persons with disabilities under Title XVIII of the Social Security Act.

Medicare (Part A/Part B) – A U. S. health insurance program which provides hospital insurance (Part A) and supplemental medical insurance (Part B) for people aged 65 and over, for persons eligible for social security disability payments for two years or longer, and for certain workers and their dependents who need a kidney transplant or dialysis. Monies from payroll taxes and premiums from beneficiaries are deposited in special trust funds for use in meeting the expenses incurred by the insured.

Medicare Part D – Prescription drug coverage established by the Medicare Prescription Drug, Improvement and Modernization Act (MMA) of, which is available to all Medicare beneficiaries. Prescription drug coverage is 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 eligible Medicaid recipients no longer receive their pharmacy benefits through the Louisiana Medicaid Pharmacy Program, with the exception of some drugs excluded from the Part D benefit.**

National Drug Code (NDC) – A national classification system for identification of drugs that is similar to the Universal Product Code (UPC).

National Provider Identifier (NPI) – A 10-digit number mandated by the Health Insurance Portability and Accountability Act (HIPAA) for health care providers, which is a single provider identifier that replaces the multiple provider identifiers currently used to bill health plans.

Parenteral Nutrition Therapy – The introduction of nutrients by some means other than through the gastrointestinal tract, in particular intravenous, subcutaneous, intramuscular or intramedullary injection.

Over the Counter (OTC) – A drug product that does not require a prescription under federal or state law.

Point of Sale System (POS) – An electronic claims processing system which provides on-line adjudication of Medicaid claims. With POS, a claim is electronically processed entirely through the claims processing cycle in real-time, and within seconds of submission, a response is returned to the pharmacy that the recipient is eligible or ineligible and the claim is payable, duplicated or rejected.

Prior Authorization – The process of obtaining prior approval for a service or medication before payment can be made by the program. Prior authorization does not guarantee coverage as all program criteria must be met, such as recipient eligibility.

Provider/Provider Agency – An individual or agency enrolled with Medicaid under a provider agreement to furnish services to Medicaid recipients. Pharmacies or physicians may enroll with the state to prescribe/dispense prescriptions to Medicaid recipients.

Rebate – A monetary amount that is returned to a payor from a prescription drug manufacturer based upon utilization by a covered person or purchases by a provider.

Recipient – An individual who has been certified for medical benefits by the Medicaid Program. A recipient certified for Medicaid home and community-based waiver services may also be referred to as a participant.

Retrospective Review – Determination of medical necessity and/or appropriate billing practice for services already rendered.

Single Preferred Drug List (PDL) – Drugs that do NOT require prior authorization. These drugs may require clinical authorization.

Telecommunication Switch Vendor – A telecommunications services vendor who transfers via telephone lines, the prescription transaction from the pharmacy to the Medicaid fiscal intermediary.

Third Party Liability – Under Medicaid, third-party liability exists if there is any entity (i.e., other government programs or insurance) which is, or may be, liable to pay all or part of the medical cost or injury, disease, or disability of an applicant or recipient of Medicaid.

UniDUR – As part of the Point of Sale system, claims are subjected to editing for prospective drug utilization review.

ACRONYMS

AAP	American Academy of Pediatrics
ASP	Average Sales Price
AWP	Any Willing Provider OR Average Wholesale Price
BMI	Body Mass Index
CDI	Clinical Drug Inquiry
CFR	Code of Federal Regulations
CMSO	Center for Medicaid and State Operations
COB	Coordination of Benefits
DME	Durable Medical Equipment
DSM	Disease State Management
EFT	Electronic Funds Transfer
EOMB	Explanation of Medicare Benefits
ERA	Electronic Remittance Advice
ESRD	End Stage Renal Disease
FDA	Food and Drug Administration
HCPCS	HCFA Common Procedural Coding System
HRSA	Health Resources and Services Administration
ICN	Internal Control Number
IDPN	Intradialytic Parenteral Nutrition Therapy
LAC	Louisiana Administrative Code

LADUR	Louisiana Retrospective Drug Utilization Review
LAPRIMS	Louisiana Pharmacy Rebate Information Management System
R.S.	Louisiana Revised Statute
LMAC	Louisiana Maximum Allowable Cost
MAC	Maximum Allowable Cost
MAPIL	Medical Assistance Program Integrity Law
MMA	Medicare Prescription Drug, Improvement and Modernization Act of 2003
NCPDP	National Council for Prescription Drug Program
OBRA	Omnibus Budget Reconciliation Act
OTC	Over-the-Counter (drugs)
PA	Physician's Assistant OR Prior Authorization
PAU	Prior Authorization Unit
PBM	Pharmacy Benefits Management
PCP	Primary Care Provider
PDL	Preferred Drug List
PHI	Protected Health Information
PHS	Public Health Service
PPBP	Provider Peer Based Profiling
PRN	As needed
QMB	Qualified Medicare Beneficiary
RA	Remittance Advice

REOMB	Recipient's Explanation of Medical Benefits
REVS	Recipient Eligibility Verification System
SURS	Surveillance and Utilization Review Subsystem
TPN	Total Parenteral Nutrition
UCF	Universal Claim Form
ULM	University of Louisiana at Monroe