ISSUED: 09/18/13 **REPLACED:** 01/01/12

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES SECTION: TABLE OF CONTENTS PAGE(S) 10

PHARMACY BENEFITS MANAGEMENT SERVICES

TABLE OF CONTENTS

SUBJECT	SECTION
INTRODUCTION	37.0

INTRODUCTION

Characteristics of Chapter Chapter Updates

GENERAL PROGRAM INFORMATION

Providers should refer to Chapter 1 of the Louisiana Medicaid Program Provider Manual for additional information.

Background Legal Authority Medicaid Program Louisiana Medicaid Pharmacy Benefits Management Section Medicaid Management Information System (MMIS)

PHARMACY PROVIDER ENROLLMENT AND **PARTIPATION GUIDELINES**

Providers should refer to Chapters 3 and 4 of the Louisiana Medicaid Program Provider Manual for additional information on Provider Enrollment and Requirements, including General Standards of Participation.

Provider Oualifications Provider Rights and Responsibilities **Record Keeping Requirements** Prohibition of Reassignment of Provider Claims **Out-of-State Providers Provider Enrollment** Medicaid Enrollment Medicaid Durable Medicaid Equipment/Supplies Medicare Enrollment **Enrollment Process** Point of Sale Enrollment **Provider Record Change of Address Procedures** Other Changes to Provider Records Change of Ownership Reporting the IRS

37.2

37.1

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES SECTION: TABLE OF CONTENTS

MEDICAID RECIPIENT ELIGIBILITY

Providers should refer to Chapter 2 of the Louisiana Medicaid Program Provider Manual for additional information on Recipient Elibility. **Eligibility Determination Classifications of Eligible Recipients Eligibility Groups** Proof of Eligibility

EPSDT Recipients

Lock-In Program Third Party Liability

PRESCRIBERS

Qualified Prescribers Prescriber Numbers Prescribers Who Are Not Medicaid Program Providers Sanctioned Providers Accessing Prescriber Numbers

COVERED SERVICES, LIMITATIONS, AND EXCLUSIONS 37.5

Terms and Conditions Tamper-Resistant Prescription Policy Authorized Benefits Non-Covered Services Prior Authorization and Preferred Drug List Monthly Service Limit Limit Exceptions to Limit Limit Override Procedures Drugs with Special Payment Criteria/Limitations Age and Gender Restricted Drugs Amphetamines Antihistamine/Decongestant Products Antipsychotic Agents (Typical and Atypical) **Buprenorphine Agents** Buprenorphine Agents (Suboxone ® and Subutex ®) Buprenorphine Transdermal Patches (Butrans®) Carisoprodol

PAGE(S) 10

09/18/13

01/01/12

37.3

37.4

ISSUED:

REPLACED:

ISSUED: 09/18/13 REPLACED: 01/01/12

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICESSECTION: TABLE OF CONTENTSPAGE(S) 10

Contraceptive Agents Drospirenone/Ethinyl Estradiol/Levomefolate Calcium (Beyaz®) Etonogestrel/Ethinyl Estradiol Vaginal Ring (Nuvaring®) Medroxyprogesterone/Acetate Injectable Norelgestromin/Ethinyl Estradiol/Transdermal Patches (Ortho-Evra®) **Diabetic Testing Supplies** Fertility Drugs Isotretinoin Ketorolac Nicotine Transdermal Patches, Gum and Spray Orlistat Palivizumab (Synagis®) Schedule II Narcotic Agents Fentanyl Buccal and Sublingual Agents Methadone Morphone ER (Avinza®) Sildenafil (Revatio®) and Tadalafil (Adcirca®) Tazarotene (Tazorac®) Prospective Drug Utilization Policies/Limits/Edits **Duration of Therapy Limits** Early Refill **Duplicate Drug Therapy** Pregnancy and FDA Category X Drugs Pregnancy and FDA Category D Drugs **Therapeutic Duplication** Drug/Drug Interaction Unnecessary Drug Therapy Maximum Dosage **Quantity Limits** Age Restriction **Quantity Limitations** Maximum Allowable Quantities Maintenance Medication Quantities Coverage and Limitations for Long Term Care Facility Recipients Quantities for Long Term Care Facility Recipients **Co-payment Exemption** Over-the-Counter (OTC) Drugs **Diabetic Supplies** Nebulizer Medicines Medicare Skilled Nursing Facilities **Emergency Kits** Outpatient Drugs Covered by Medicare Part B Drug Services for Hospice Recipients

ISSUED: 09/18/13

REPLACED: 01/01/12 **CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES SECTION: TABLE OF CONTENTS PAGE(S) 10 REIMBURSEMENT FOR SERVICES** 37.6 **Reimbursement Methodology** National Drug Code (NDC) Maximum Allowable Overhead Cost **Provider Fee** Usual and Customary Charges **Drug Estimated Acquisition Cost** Multiple Source Drugs Federal Upper Limit (FUL) Regulations Louisiana State Maximum Allowable Cost (LMAC) Regulations Override of FUL and MAC **Co-payments for Prescription Services Co-payment Schedule Co-payment Exemptions** Other Co-payment Policies Medicare Crossover Claims Third Party Liability Claims 37.7 MEDICARE PRESCRIPTION DRUG COVERAGE Medicare Part A Part B Part C Part D Medicare Part B Crossover Claims General Medicare Part B Crossover Reimbursement Policies Medicare Part B Outpatient Drug Coverage Immunosuppressive Drugs **Oral Cancer Chemotherapy Drugs** Antiemetic Drugs Nebulizer Drugs **Diabetic Supplies** Dispensing/Supply Fees

Antihemophilia Drugs Medicare Part D Outpatient Drug Coverage

LOUISIANA MEDICAID PROGRAM	ISSUED:	09/18/13
	REPLACED:	01/01/12
CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES		
SECTION: TABLE OF CONTENTS	Р	AGE(S) 10
THIRD PARTY LIABILITY/COORDINATION OF Third Party Liability Coordination of Benefits Pharmacy Providers' Roles Coordination of Benefits Exemptions Exemptions to Medicaid Program Restrictions Claims For Recipients With Multiple Insurance Coverage Override Capabilities and Codes	F BENEFITS	37.8
CLAIM SUBMISSION		37.9
National Drug Code (NDC)		
Drug Quantities and Units of Measurement		
Prescriber Numbers		
Diagnosis Codes (Refer to this Chapter, Section 5)		
Overrides		
FUL/LMAC Limitations		
Four Prescriptions Monthly Limit		
Early Refills		
Ingredient Duplication		
Duration of Therapy		
Therapeutic Duplication		
Unnecessary Drug Therapy		
Drug/Drug Interaction Coordination of Benefits		
Pregnancy Co-payment Age and Gender Overrides		
Maximum Dosage		
Quantity Exceeds Program Maximum		
Prior Authorization Emergency		
Hospital Discharge Prescriptions for Atypical Antipsych	notic Agents	
Lock-In Emergency	ione Agents	
Types of Pharmacy Claims		
Point of Sale Claim Submission		
(Reference Point of Sale User Guide, Appendix D in th	nis Chanter)	
Electronic Claim Submission (Batch)	us enapter)	
Hard Copy Claim Submission		
Claim Adjustments		
Time Limit for Submission of Medicaid Claims		
Billing for Spend-Down Medically Needy Recipients		

LOUISIANA MEDICAID PROGRAM 09/18/13 **ISSUED: REPLACED:** 01/01/12 **CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES SECTION: TABLE OF CONTENTS PAGE(S) 10 CLAIMS PROCESSING/PAYMENTS** 37.10 Claims Processing Claim Entry Claim Adjudication **Disposition of Claim Processing Time Frames** Point of Sale Claims Paper Claims **Denied Claim Facsimiles** Remittance Advice Help Desk PUBLIC HEALTH SERVICES 340B DRUG PRICING PROGRAM 37.11 Public Health Services 340B Program Definitions Pharmacy Eligibility and Enrollment Reimbursement Methodology Contacts **TOTAL PARENTERAL NUTRITION (TPN)** 37.12 Definitions Provider Enrollment Program Coverage **TPN Medical Necessity Criteria Documentation Requirements Exclusionary Criteria IDPN** Criteria Equipment and Supplies Criteria Prior Authorization **Prior Authorization Requirements Prior Authorization Requests Emergency Request** Medicare Crossover Claims Third Party Liability Reimbursement Methodology Claim Submission Medicaid Claims Medicare Crossover Claims Third Party Liability Claims Adjustments/Voids

REPLACED	01/01/12	
CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES		
SECTION: TABLE OF CONTENTS	PAGE(S) 10	
RESERVED	37.13	
MEDICATION ADMINISTRATION Medication Administration by Pharmacists Pharmacist Provider Number Influenza Vaccine Administration by Pharmacist	37.14	
RESERVED	37.15	
PATIENT COUNSELING, DRUG UTILIZATION REVIEW (DU AND PROVIDER PEER-BASED PROFILING Introduction Patient Counseling Prospective Drug Utilization Review (UniDUR) Retrospective Drug Utilization Review Dravidar Deer Deced Drofiling	UR) 37.16	
Provider Peer Based Profiling Drug Utilization Review Board LOCK-IN PROGRAM Choosing a Lock-In Provider	37.17	
Lock-In Emergencies Referrals DISEASE MANAGEMENT PROGRAM	37.18	
Introduction Educational Tools Program Initiatives	57.10	

ISSUED: 09/18/13 01/01/12 **REPLACED:**

	$\mathbf{CED.} \mathbf{01/01/12}$	
CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES		
SECTION: TABLE OF CONTENTS	PAGE(S) 10	
MEDICAID FRAUD AND ABUSE	37.19	
Providers should refer to Chapter 6 of the Medicaid Program Provider Manual for		
additional information on Program Integrity and Fraud and Abuse.		
General		
Fraud		
Provider Fraud		
Recipient Fraud		
Abuse		
Provider Abuse		
Recipient Abuse		
Civil Causes of Action		
Fraud and Abuse Detection		
Referrals		
Recipient Verification Notices (REOMBS)		
Recipient Prescription Verification Letters		
Surveillance Utilization Review Subsystem (SURS)		
Administrative Actions/Sanctions		
Definition		
Grounds for Sanctioning Providers		
Levels of Sanctions		
Appeals		
PROVIDER AUDITS	37.20	
Audit Purpose	•••=•	
Audit Authority		
Audit Overview and Process		
Provider Responsibilities		
MEDICAID DRUG REBATE PROGRAM	37.21	
Rebate Programs		
Federally Mandated Drug Rebate Program		
State Supplemental Drug Rebate Program		

ISSUED: 09/18/13

37.22

REPLACED: 01/01/12

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICESSECTION: TABLE OF CONTENTSPAGE(S) 10

LOUISIANA MEDICAID WEBSITE

www.lamedicaid.com Provider Access Clinical Drug Inquiry Preferred Drug List Prescriber Numbers Medicaid Eligibility Verification System (MEVS) TPL Carrier Code List Manuals and Appendices Point of Sale User Guide Switch Vendor Specifications Appendix A – List of Drugs Payable on Drug File Appendix A-1 – List of Drugs with FUL and LMAC prices Appendix B – List of DESI Drugs by National Drug Code (NDC) Appendix C – Medicaid Drug Federal Rebate Participating Pharmaceutical Companies **Provider Education and Communication** Provider Update **Remittance Advice Messages Provider Training Packet** Department of Health and Hospitals Letters **Provider Relation** Forms **RXPA** Form Form 211 Drug Adjustment/Void Form PA01 Form - Total Parenteral Nutrition (TPN) Prior Authorization CMS-1500 – To be used in submitting TPN Claims Links Board of Pharmacy Board of Medical Examiners

Centers for Medicare and Medicaid Services

GLOSSARY

ACRONYMS

FREQUENT CONTACTS

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICESSECTION: TABLE OF CONTENTSPAGE(S) 10

APPENDICES

List of Drugs Payable on Drug File	APPENDIX A
List of Drugs with FUL and LMAC Prices	APPENDIX A-1
List of DESI Drugs By National Drug Code (NDC)	APPENDIX B
Medicaid Drug Federal Rebate Participating Pharmaceutical Companies	APPENDIX C
Point of Sale User Guide	APPENDIX D
Products with Quantity Limits	APPENDIX E-1
Products with Maximum Daily Dosages	APPENDIX E-2
RXPA Form – Prescribers Use to Request Drug Prior Authorizations	APPENIDIX F
Universal Drug Claim Form and Instructions	APPENDIX G
Form 211 – Drug Adjustment Form/Void Form and Instructions	APPENDIX H
PA-01 Form - TPN Prior Authorization Form	APPENDIX I
CMS 1500 – To Be Used in Submitting TPN Claims	APPENDIX J
Form 213 – TPN Adjustment/Void Form	APPENDIX K
Table of Tamper Resistant Prescription Criteria and Examples	APPENDIX L