Wisconsin Medicaid and BadgerCare Information for Providers

To: **Dentists** Nurse **Practitioners Optometrists** Physician **Assistants Physician Clinics Physicians Podiatrists HMOs and Other** Managed Care **Programs**

Prospective Drug Utilization Review's impact on prescribers

Wisconsin Medicaid is implementing a prospective Drug Utilization Review (DUR) system in February 2001. The system assists pharmacy providers in screening certain drug categories for clinically important potential drug therapy problems before the prescription is dispensed to the recipient. This *Update* tells prescribers how the prospective DUR system may affect them.

Prospective Drug Utilization Review is required by federal and state law

The federal Omnibus Budget Reconciliation Act of 1990 (CFR Section 456.703-456.705) calls for a Drug Utilization Review (DUR) program for all Medicaid outpatient drugs in order to improve the quality and costeffectiveness of recipient care. There are three components to the Medicaid DUR program: prospective DUR, retrospective DUR, and an educational program using DUR program data to educate prescribers and dispensers on common drug therapy problems with the aim of improving prescribing and dispensing practices.

Individual pharmacies are responsible for prospective DUR as required by Pharmacy 7.01 [e] and 7.08, Wis. Admin. Code, and 450.01 (16) (I), Wis. Stats. Wisconsin Medicaid's new prospective DUR system is a useful tool that will provide pharmacists with additional information and help them better perform prospective DUR.

Wisconsin Medicaid is responsible for providing the retrospective DUR program and the educational program.

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As required by the Omnibus Budget Reconciliation Act of 1990, a Medicaid DUR Board comprised of practicing physicians and pharmacists from around the state has been appointed to oversee the entire Medicaid DUR program. The Wisconsin Medicaid DUR Board reviews and approves all criteria used for both prospective and retrospective DUR.

Objective of Medicaid's prospective **Drug Utilization Review system**

The Medicaid prospective DUR system assists pharmacy providers in screening certain drug categories for clinically important potential drug therapy problems before the prescription is dispensed to the recipient. These problems include therapeutic duplication, drug/drug interactions, early and late refills, cumulative side effects, and drug contraindications for pregnancy, certain diseases, and specific ages. Prospective DUR enhances clinical quality and cost-effective drug use.

Prospective Drug Utilization Review system alerts

When a pharmacy provider submits a claim to Wisconsin Medicaid through the Point-of-Sale system, the claim will be reviewed by the

prospective DUR system. When a claim is processed for a drug that has the potential to cause problems for the recipient, the claim is denied and the prospective DUR system returns an alert to the pharmacy provider to inform the provider of the potential problem. The provider is then required to respond to the alert to receive reimbursement for the claim from Wisconsin Medicaid. The provider is required to resubmit the claim and include information about action taken and the resulting outcome.

Prospective Drug Utilization Review's impact on prescribers

Increased inquiries from pharmacists With the implementation of Medicaid's prospective DUR system, prescribers may see an increase in the number of inquiries, such as telephone calls or faxes, related to prescribed drugs from pharmacy providers. If a pharmacist receives an alert, a response is required before the drug can be dispensed to the recipient and the claim can be reimbursed. This may require the pharmacist to contact the prescriber for additional information to determine if the prescription should be filled as written, modified, or cancelled. It is important for prescribers to respond quickly to inquiries from pharmacists, since a pharmacist may not dispense a prescribed drug that activates an alert until the claim is resubmitted and approved.

Note: The prospective DUR system does not dictate which drugs are dispensed; prescribers and pharmacists must exercise professional judgement, and will still have the freedom to do so.

Importance of medical diagnoses

Diagnoses from medical claims are used to build a medical profile for each recipient. The prospective DUR system uses this profile to determine whether a prescribed drug may be inappropriate or harmful to the recipient. It is very important that prescribers provide up-to-date medical diagnosis information on recipients' medical claims to ensure complete and accurate recipient profiles, particularly in cases of disease or pregnancy.

More information

Refer to the prospective DUR *Updates* sent to pharmacy providers (2000-47, 2000-58, and 2000-64), titled "Introducing Wisconsin Medicaid's prospective DUR system," "Wisconsin Medicaid's prospective DUR system implementation," and "Wisconsin Medicaid's prospective DUR system alerts," respectively, for more information about the prospective DUR system. These can be found in the "Provider Publications" section of the Medicaid Web site at

www.dhfs.state.wi.us/medicaid/.

The *Wisconsin Medicaid and BadgerCare Update* is the first source of program policy and billing information for providers.

Although the *Update* refers to Medicaid recipients, all information applies to BadgerCare recipients also.

Wisconsin Medicaid and BadgerCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at www.dhfs.state.wi.us/medicaid/.

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