To:

Federally Qualified Health Centers

Independent Labs

Inpatient Hospital Providers

Nursing Homes

Outpatient Hospital Providers

Pharmacies

HMOs and Other Managed Care Programs

SeniorCare information for pharmacies

SeniorCare is a new prescription drug assistance program for Wisconsin residents who are 65 years of age or older who meet the eligibility criteria. The program is designed to help seniors with their prescription drug costs. Applications were accepted beginning July 1, 2002. The program begins September 1, 2002.

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The SeniorCare program will cover most Wisconsin Medicaid-covered legend drugs and over-the-counter (OTC) insulin. SeniorCare is modeled after Wisconsin Medicaid for drug coverage and reimbursement. There are, however, a few differences. This *Wisconsin Medicaid and BadgerCare Update* outlines those differences.

General policies

The following general policies apply to SeniorCare:

- Wisconsin Medicaid-certified pharmacies are required by law to participate in the SeniorCare program.

- SeniorCare covers prescription legend drugs and OTC insulin. No other OTCs are covered.

- SeniorCare will cover drugs with a signed drug rebate agreement.

- Wisconsin Medicaid-certified pharmacies are required by law to submit claims to SeniorCare.

- SeniorCare and Wisconsin Medicaid policies detailed in this *Update* apply to all levels of participation, unless stated differently.

- Based on the drug dispensed, SeniorCare will cover up to a 34-day or 100-day supply.

- SeniorCare participants will be identified by a SeniorCare card that participants should show each time a prescription is filled.

SeniorCare eligibility

To be eligible to participate in SeniorCare, an applicant must:

- Be a Wisconsin resident.
- Be a U.S. citizen or a qualifying alien.
- Be 65 years of age or older.
- Provide a Social Security number or apply for one.
- Submit a $20 annual enrollment fee per person with his or her application.

Individuals with prescription drug coverage under commercial health plans are eligible to enroll in SeniorCare. Seniors who are Wisconsin Medicaid or BadgerCare recipients are not eligible for SeniorCare, except for Qualified Medicare Beneficiaries (QMB), Specified Low Income Medicare Beneficiaries (SLMB), Tuberculosis (TB)-related, and those in an unmet Medicaid deductible.

Seniors may obtain an application from local Offices on Aging, Senior Centers, or Aging Resource Centers. Applications may also be printed from the SeniorCare Web site at *www.dhfs.state.wi.us/seniorcare/index.htm.* Additionally, seniors may obtain an application by calling the SeniorCare Customer Service Hotline at (800) 657-2038.

Levels of participation

There are three levels of program participation which are based on the income of the participant. Each level has different out-of-pocket expense requirements. Refer to the table in Attachment 1 of this *Update* for further details regarding the different program participation levels.

The SeniorCare program will track and maintain the participant spenddown and/or deductible amounts for claims submitted by pharmacies and provide the copayment amount as applicable.

Drug copayment determination

After a participant has met the applicable spenddown and/or deductible requirements, participants are required to pay a $5 copayment on each generic prescription drug, generic insulin, and compound drug, and a $15 copayment for each brand name prescription drug and insulin. (Classification of brand name and generic drugs for copayment purposes is provided by First Data Bank.) There is no limit on the total amount of copayments a participant may be required to pay during his or her SeniorCare eligibility.

The copayment may be paid at the time the drug is dispensed. If the participant does not pay the copayment, the pharmacist can choose not to dispense the drug.

SeniorCare identification cards will be provided

Each participant in the SeniorCare program will receive a prescription benefits card, modeled after the National Council for Prescription Drug Programs (NCPDP) standards for identification cards. Participants have been instructed to present their card each time they get a prescription filled. Pharmacies are required by law to submit claims to the SeniorCare program for SeniorCare participants during all levels of participation. Refer to Attachment 2 for a sample SeniorCare card.

SeniorCare payment rates

State law limits what pharmacies may charge SeniorCare participants for covered drugs. Regardless of the participation level, pharmacies should always submit their usual and customary/retail charge. Based on the participation level and claim submission information, the SeniorCare program will determine and provide the amount to be collected by the pharmacy.

Until participants meet any required spenddown, pharmacies may charge participants no more than their usual and customary/retail rates. Until participants meet any required deductible, pharmacies may charge participants no more than the SeniorCare rate, which equals the Medicaid ingredient rate plus 5%, plus the applicable Medicaid dispensing fee.

Pharmacies are required by law to submit claims to the SeniorCare program for SeniorCare participants during all levels of participation.

When participants are required to pay a copayment, pharmacies will collect the copayment from the participant and the SeniorCare program will reimburse the remainder of the prescription cost up to the SeniorCare rate.

SeniorCare will provide the amount to charge the participant during all levels of participation via the Point-of-Sale (POS) claim response and on the Remittance and Status (R/S) report. If a SeniorCare participant pays an amount greater than the SeniorCare claim response during any level of participation, the providers must refund the difference to the participant.

SeniorCare will provide the amount to charge the participant during all levels of participation.

Noncovered services

When a participant requests noncovered services or services for which prior authorization (PA) was denied, the participant is responsible for payment only if the provider informs the participant prior to performing the service that the service is not covered and that he or she will be responsible for the cost.

SeniorCare policy and reimbursement

SeniorCare reimbursement and policy are modeled after Wisconsin Medicaid, but with a few differences. The table in Attachment 3 shows the differences between Wisconsin Medicaid and SeniorCare.

Wisconsin Medicaid Point-of-Sale system will be enhanced for SeniorCare

To allow for SeniorCare claims processing, the Medicaid POS system will be enhanced. Beginning Sunday, September 1, 2002, the system will provide pharmacies information regarding the amount to be collected from participants and participant copayment/deductible/spenddown information using NCPDP standard fields.

The SeniorCare program has notified software vendors of these changes. However, pharmacies are encouraged to contact their software vendors to verify that the fields will be accessible.

Attachment 4 contains the NCPDP fields that SeniorCare will use to collect and adjudicate SeniorCare POS claims in addition to fields used by Wisconsin Medicaid. This attachment also details participant information that will be provided in response to a real-time claim.

Paper and electronic media claims submission may also be used for SeniorCare

Pharmacies may also submit paper claims and Electronic Media Claims (EMC) to the SeniorCare program. For these claims, however, pharmacies may wish to call pharmacy POS correspondents at (800) 947-9627 for spenddown and deductible information in order to determine the amount to be collected from the participant at the time each prescription is dispensed. Pharmacies submitting paper claims or EMC will also receive this information via the weekly R/S report.

Pharmacies submitting paper claims may use the same Medicaid paper claim forms (Compound Drug, Non-Compound Drug, and the Adjustment Request Form) for SeniorCare claims submission.

Pharmacies are required to submit separate claims for Wisconsin Medicaid services and SeniorCare services.

SeniorCare will not reimburse claims submitted by SeniorCare participants.

Pharmaceutical Care

Prior to providing the service, pharmacies must obtain participant approval for Pharmaceutical Care (PC) services while the participant has a spenddown or deductible. The SeniorCare program will reimburse pharmacies directly for PC after the participant has met his or her spenddown and deductible. SeniorCare will allow those PC services covered by Medicaid for all levels of participation with the same limitations on occurrences per calendar year.

Prior authorization/diagnosis-restricted drugs

Prior authorization and diagnosis codes for restricted drugs will be required for reimbursement during all levels of participation in the SeniorCare program. SeniorCare will use the same list of drugs for both PA and diagnosis restrictions as Medicaid for SeniorCare covered drugs. As applicable, pharmacies are required to obtain PA and submit diagnosis codes for all of the participation levels. Pharmacies will be able to submit both paper and Wisconsin Specialized Transmission Approval Technology—Prior Authorization (STAT-PA) requests. Paper PA requests may be submitted by fax at (608) 221-8616.

Coordination of benefits

Like Medicaid, SeniorCare requires that primary insurance be billed first. Pharmacies are also required to submit claims to SeniorCare for participant out-of-pocket expenses (coinsurance, deductible, copayment) incurred due to the primary insurance billing. The pharmacy should provide the other payor amount, if applicable, from primary insurance billing in the NCPDP "Other Payor Amount" field and the participant's out-of-pocket expenses using the NCPDP "Patient Paid Amount" field.

If primary insurance requires the participant to pay a copayment or deductible, the pharmacy is required to submit this information in the "Patient Paid Amount" field and the amount paid by other insurance in the "Other Payor Amount" field, along with the usual and customary/retail charges for the prescription to the SeniorCare program. (For example, if the primary insurance pays $80 with a $20 copayment, indicate $80 in the "Other Payor Amount" field and $20 in the "Patient Paid Amount" field of the claim.) Pharmacies that are not able to provide this information via POS may submit the information on a paper or EMC claim.

Pharmacies using POS will be provided the amount to collect from the participant, and this amount may be different than the amount indicated by the primary insurance due to coordination of benefits. For services covered by other insurance, if a pharmacy does not indicate the participant's other coverage cost sharing out-of-pocket expense (copayment, deductible, coinsurance) in the "Patient Paid Amount" field, the SeniorCare claim will be adjudicated and payment amounts will be reduced based solely on the amount present in the "Other Payor Amount" field.

Pharmacies submitting paper claims or EMC will receive this information via the weekly R/S report. See Attachment 4 for the definition and description of the standard NCPDP fields that will be used for SeniorCare POS claim submission and response.

Discount cards

Pharmacies that honor prescription discount cards for a SeniorCare participant should provide the discounted charge in the "Patient Paid Amount" field, if different than the usual and customary/retail charge. For example, if the

Prior authorization and diagnosis codes for restricted drugs will be required for reimbursement during all levels of participation in the SeniorCare program.

pharmacy honors a discount card that provides a 10% discount and the usual and customary/retail charge is $100, enter $90 in the "Patient Paid Amount" field.

SeniorCare information sources

Refer to the July 2002 *Update* (2002-38), titled "SeniorCare program beginning in September," for an overview of the SeniorCare program. Other sources of SeniorCare information are listed below.

Point-of-Sale correspondents for providers

Pharmacies may call POS correspondents from 8:30 a.m. to 6:00 p.m. Monday through Friday, excluding holidays, by calling (800) 947-9627. The correspondents will be available on Sunday and Monday, September 1 and 2, 2002, from 8:30 a.m. to 6:00 p.m.

SeniorCare and Wisconsin Medicaid Web sites

Pharmacies may obtain additional information, including the SeniorCare brochure, fact sheet, and the SeniorCare application, at the SeniorCare Web site at *www.dhfs.state.wi.us/seniorcare/index.htm*. Pharmacies are reminded that Wisconsin Medicaid information may be obtained at the Wisconsin Medicaid Web site, at *www.dhfs.state.wi.us/medicaid/*.

Participant handbook

Upon enrollment, SeniorCare participants will receive a handbook explaining the requirements and benefits of the SeniorCare program.

SeniorCare customer service for participants

SeniorCare participants may call SeniorCare Customer Service Hotline from 7:30 a.m. to 5:00 p.m. Monday through Friday, excluding holidays, at (800) 657-2038. The Help Desk will be available on Sunday and Monday, September 1 and 2, 2002, from 7:30 a.m. to 5:00 p.m.

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

Wisconsin Medicaid, BadgerCare, and SeniorCare 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/*.

ATTACHMENT 1
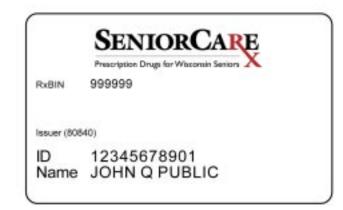# SeniorCare income limits and annual out-of-pocket expense requirements

The table below lists the income limits and annual out-of-pocket expense requirements for SeniorCare program participants. When purchasing drugs, SeniorCare participants must use Wisconsin Medicaid-certified pharmacies. SeniorCare will automatically track drug costs that are applied to the spenddown and deductible from claims submitted by certified pharmacies.

Income Limits*	Annual Out-of-Pocket Expense Requirements and Benefits
$14,176 per individual and $19,104 per couple annually.*	• No deductible or spenddown. • Pay a $5 copayment for each covered generic prescription drug and a $15 copayment for each covered brand name prescription drug.
$14,177 to $21,264 per individual and $19,105 to $28,656 per couple annually.*	• $500 deductible per person. • Pay discounted price for drugs until the $500 deductible is met. • After $500 deductible is met, pay a $5 copayment for each covered generic prescription drug and a $15 copayment for each covered brand name prescription drug.
$21,265 or higher per individual and $28,657 or higher per couple annually.* *These income amounts are based on the 2002 federal poverty guidelines, which increase by a small percentage each year.	• Pay retail price for drugs equal to the difference between your income and $21,265 per individual or $28,657 per couple. This is called "spenddown." • Drug costs for spenddown will be tracked automatically. During the spenddown, there is no discount on drug costs. • After spenddown is met, meet a $500 deductible. • Pay discounted price for drugs until the $500 deductible is met. • After the $500 deductible is met, pay a $5 copayment for each generic prescription drug and a $15 copayment for each brand name prescription drug.

Income limits and out-of-pocket expense requirements are calculated as of May 2002.

ATTACHMENT 2
Sample SeniorCare card

Below is a sample of the SeniorCare card that participants will receive.

Front

SENIORCARE
Prescription Drugs for Wisconsin Seniors X

RxBIN   999999

Issuer (60840)

ID   12345678901
Name   JOHN Q PUBLIC

Back

Participants:
• Show this card each time you get your
  prescription drugs.
• For customer service, call 1-800-657-2038.

Pharmacists:
  Submit claims electronically or send paper claims to:
    Claims and Adjustments Unit
    6406 Bridge Rd.
    Madison, WI 53784-0002
Provider Services: 1-800-947-9627

ATTACHMENT 3
SeniorCare policies and reimbursement

The table below displays the policies covered by Wisconsin Medicaid and how the policy is effected under SeniorCare coverage.

Policy	Same as Medicaid	Comment
Compound Dispensing	Yes	
34 and 100 Days' Supply	Yes	
Prospective Drug Utilization Review (DUR)	Yes	
Dispensing Fee	Yes	
Provider Help Desk	Yes	
Claims Submission Methods	Yes	
Retrospective Drug DUR	Yes	
Lock-In	Yes	
Remittance and Status (R/S) Report	Yes	Medicaid and SeniorCare claims will appear on the same weekly R/S Report.
Eligibility Verification	Yes	
Prior Authorization	No	Drugs without a manufacturer rebate agreement are not covered and cannot be obtained with a prior authorization.
Pharmaceutical Care (PC)	No	Must have participant's prior approval to receive and be charged for PC service. SeniorCare will reimburse PC services during copayment period, same as Medicaid.
Brand Medically Necessary	No	Brand name innovator drugs require "brand medically necessary" handwritten on the prescription and the dispense as written (DAW) indicator on the claim. Otherwise drugs are not covered.
Copayment	No	Brand drug - $15, generic drug - $5, compound drugs - $5.
Copayment Exemptions	No	Medicaid exemptions do not apply to SeniorCare.
Covered Drugs	No	Legend drugs and over-the-counter insulin with a signed manufacturer rebate agreement.
Drug Reimbursement Rate	No	• Spenddown — participant pays up to retail price. • Deductible — participant pays up to the SeniorCare rate (Medicaid ingredient rate plus 5% plus the Medicaid dispensing fee). • Copayment — pharmacies are reimbursed by SeniorCare up to the SeniorCare rate.

Policy	Same as Medicaid	Comment
Participant Customer Service	No	(800) 657-2038.
ID Cards	No	SeniorCare R_x Card.
Age Restriction	No	Participants must be 65 years of age or older.
Managed Care	No	SeniorCare participants will not be enrolled in Medicaid managed care programs.
Coordination of Benefits	No	Pharmacies are required to submit any out-of-pocket expenses the participant incurs in the "Patient Paid Amount" field and any other insurance payments in the "Other Payor Amount" field.

ATTACHMENT 4
National Council for Prescription Drug Programs fields for SeniorCare

The tables below list the National Council for Prescription Drug Programs (NCPDP) fields that the SeniorCare program will use to collect and provide information for adjudicating SeniorCare Point-of-Sale claims in addition to the fields used for Wisconsin Medicaid. All format modifications for SeniorCare claims will also apply to Wisconsin Medicaid claims.

SeniorCare-Related Claim Submission and Claim Response Format Changes

Submission:
NCPDP Field 433-DX Patient Paid Amount
NCPDP Definition - Amount received from a patient for the prescription dispensed.
SeniorCare requires pharmacies to enter the participant's out-of-pocket expenses for the prescription dispensed (i.e., copayments/coinsurance related to the primary billing, or the amount paid by the participant less the discount related to a pharmacy discount card).

Response:
NCPDP Field 504 Message
NCPDP Definition - Free form text.
SeniorCare will format this field to display the total amount the participant has yet to pay before satisfying his or her spenddown and the total amount the participant has yet to pay before satisfying his or her deductible.

NCPDP Field 505 Patient Pay Amount
NCPDP Definition - Amount to be collected from the patient. This field includes SeniorCare copayment amounts, other coverage coinsurance or amounts applied to private insurance deductible, any reduction for SeniorCare deductibles, etc. SeniorCare will provide the total amount of copayment, spenddown, and/or deductible for which the participant is liable for the prescription. This is the amount to be collected by the pharmacy, regardless of copayment/coinsurance indicated by the primary insurance.

NCPDP Field 513-FD Remaining Deductible
NCPDP Definition - The amount in dollars not met by the patient/family in the deductible plan.
SeniorCare will provide the total amount the participant has yet to pay for prescription drugs before his or her spenddown and deductible amounts have been satisfied for his or her current eligibility period.

NCPDP Field 517-FH Amount Applied to Periodic Deductible
NCPDP Definition - Amount to be collected from a patient that is included in field 505 that is applied to a periodic deductible.
SeniorCare will provide the total amount from the claim that has been applied to the participant's annual spenddown and deductible.

NCPDP Field 518-FI Amount of Copayment/Coinsurance
NCPDP Definition - Amount to be collected from a patient that is included in field 505 that is due to a per prescription copayment/coinsurance.
SeniorCare will provide the total amount of copayment for which the participant is liable.