

# Wisconsin Medicaid update and BadgerCare

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Wisconsin Medicaid and BadgerCare Information for Providers

To:  
Blood Banks  
Dispensing  
Physicians  
Federally Qualified  
Health Centers  
Pharmacies  
HMOs and Other  
Managed Care  
Programs

## Wisconsin Medicaid, BadgerCare, and SeniorCare changes for retail pharmacies dispensing drug services

This *Wisconsin Medicaid and BadgerCare Update* provides information on changes included in the Wisconsin biennial budget (2003-05 Wisconsin Act 33) for retail pharmacies dispensing drug services. The Medicaid and BadgerCare changes are listed first. The SeniorCare changes follow. Changes are listed in chronological order by effective dates of service.

### Medicaid and BadgerCare changes

*Effective August 15, 2003*

The Medicaid Average Wholesale Pricing (AWP) reimbursement rate for brand name legend drugs changed to AWP minus 12%. Pharmacists were informed of this change through a letter dated August 7, 2003.

*Effective September 1, 2003*

The budget eliminated an enhanced dispensing fee for unit dose and prefilling of syringes. Pharmacists will be paid the traditional dispensing fee for these services. Enhanced reimbursement for repackaging will continue to be paid.

*Effective October 1, 2003*

A \$3 copay for brand name legend drugs\* will be established. The recipient copay of \$1 for generic legend drugs remains the same. In addition, the monthly legend drug copay upper

limit will increase from \$5 to \$12, per recipient, per provider, per month.

Medicaid and BadgerCare recipients will also continue to pay a \$0.50 copayment for over-the-counter drugs with no per-month maximum.

*Effective July 1, 2004*

The Medicaid and BadgerCare Drug Reimbursement Rate for brand name legend drugs will change to AWP minus 13%.

### SeniorCare changes

*Effective August 15, 2003*

The SeniorCare Drug Reimbursement Rate for brand name legend drugs changed to AWP minus 12%, plus 5%. Pharmacists were informed of this change through a letter dated August 7, 2003.

*Effective September 1, 2003*

The following policies are effective September 1, 2003:

1. The SeniorCare annual enrollment fee will increase to \$30 for a single person and \$60 for married couples.
2. The SeniorCare deductible amount for participants with incomes that exceed 200% of the Federal Poverty Level (FPL)

(levels 2b and 3) will increase from \$500 to \$850. Participants with income in excess of 240% of the FPL (level 3) will continue to have a spenddown requirement, in addition to a deductible to meet.

3. Drugs from manufacturers who have not signed a separate SeniorCare rebate agreement will no longer be covered for SeniorCare participants with incomes greater than 200% of the FPL.
4. SeniorCare copayments will not change. The definition of a brand name legend drug\* will be the same as it is for Wisconsin Medicaid and BadgerCare.

*Effective July 1, 2004*

The SeniorCare Drug Reimbursement Rate for brand name legend drugs will change to AWP minus 13%, plus 5%.

### **For further information**

Questions about this *Wisconsin Medicaid and BadgerCare Update* may be directed to Provider Services at (800) 947-9627 or (608) 221-9883. Select option “2,” when prompted, to speak with a pharmacy correspondent.

### **Information regarding Medicaid HMOs**

This *Update* contains Medicaid fee-for-service policy and applies to providers of services to recipients on fee-for-service Medicaid only. Providers are reminded that recipients enrolled in managed care programs do not have copayment. For Medicaid HMO or managed care policy, contact the appropriate managed care organization. Wisconsin Medicaid HMOs are required to provide at least the same benefits as those provided under fee-for-service arrangements.

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\*Brand name legend drugs are defined as:

- Those drugs not on the Maximum Allowed Cost (MAC) list.
- Those drugs determined as brand name by First Data Bank.

All other drugs are considered generic. Real-time responses will indicate which copayment amount to collect.

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/](http://www.dhfs.state.wi.us/medicaid/).