To:

Dispensing
   Physicians

Family Planning
   Clinics

Federally Qualified
   Health Centers

Narcotic
   Treatment
   Services
   Providers

Pharmacies

HMOs and Other
   Managed Care
   Programs

Point-of-Sale Enhancement and Claims Submission Requirement for Recipients with Commercial Health Insurance

This *Wisconsin Medicaid and BadgerCare Update* announces that:

- Effective for claims received on and after June 9, 2005, providers are required to bill all commercial health insurance carriers prior to Wisconsin Medicaid when a recipient has verified drug coverage through commercial health insurance. As a result, *Appendix 9* of the Claims Submission section of the Pharmacy Handbook *is no longer valid.*

- The new implementation date when a Drug Utilization Review alert and a Pharmaceutical Care service may be submitted in the same transaction is June 9, 2005. The enhancement was originally announced in the September 2004 *Update* (2004-78), titled "Drug Utilization Review and Pharmaceutical Care Services May Be Submitted in the Same Transaction."

Commercial Health Insurance Claim Submission Requirement

Because Wisconsin Medicaid is payer of last resort, providers are required to exhaust other health insurance sources prior to submitting claims to Wisconsin Medicaid. Effective for claims received on and after June 9, 2005, providers are required to bill all commercial health insurance carriers prior to Wisconsin Medicaid when a recipient has verified drug coverage through commercial health insurance. This is a change from current Medicaid policy that requires commercial health insurance billing of drugs for specific carriers. As a result, *Appendix 9* of the Claims Submission section of the Pharmacy Handbook *is no longer valid.*

Pharmacies are required to bill private HMOs, all commercial health insurance, and Medicare prior to billing Wisconsin Medicaid.

Drug Utilization Review and Pharmaceutical Care Enhancement

Effective for claims processed on and after June 9, 2005, Wisconsin Medicaid is enhancing the pharmacy real-time claims submission process in the Point-of-Sale (POS) system to allow providers to submit a response to a Drug Utilization Review (DUR) alert *and* a

Pharmaceutical Care (PC) service in the same transaction. The enhancement was originally announced in the September 2004 *Wisconsin Medicaid and BadgerCare Update* (2004-78), titled "Drug Utilization Review and Pharmaceutical Care Services May Be Submitted in the Same Transaction."

When providers submit real-time noncompound drug claims or reversals with a response to a DUR alert and PC dispensing fee in the same transaction, Wisconsin Medicaid requires the following National Council for Prescription Drug Programs (NCPDP) version 5.1 fields:

NCPDP Field	NCPDP Field Name
473-7E	Drug Utilization Review/ Professional Pharmacy Services (DUR/PPS) Code Counter
439-E4	Reason for Service Code
440-E5	Professional Service Code
441-E6	Result of Service Code
474-8E	DUR/PPS Level of Effort (LOE)[*]

[*]The DUR/PPS LOE is only required on PC reimbursement claim submissions.

Providers may continue to send one set of DUR fields if the 439-E4, "Reason for Service Code," field for DUR and PC are the same.

Providers are required to have NCPDP field 473-7E, "DUR/PPS Code Counter," present. Wisconsin Medicaid, BadgerCare, and SeniorCare will monitor this field for claims submitted as real-time compound or noncompound drug transactions.

For real-time compound drug claims, providers are still required to indicate a DUR/PPS LOE code that will determine the compound drug dispensing fee reimbursement. As a reminder to providers, a PC service cannot be billed for a compound drug.

Refer to Attachment 1 of this *Update* for a table of DUR and PC claim submission examples. Attachment 2 is a table of fields that are required for DUR and PC claim submissions.

Software Testing with Wisconsin Medicaid

Pharmacy providers may test POS system changes at any time with Wisconsin Medicaid. Providers interested in software testing should contact the Division of Health Care Financing Electronic Data Interchange (EDI) Department for a test packet. After providers receive a test packet, they may contact their software vendor to coordinate testing.

Providers should work closely with their software vendors, information technology staff, and software user guides to verify that POS claims and reversals are submitted accurately according to the Wisconsin Medicaid Companion Document to HIPAA Implementation Guide: NCPDP 5.1 (Rev. 6/9/05). This document is available on the "Electronic Data Interchange (EDI) Information" page of the Medicaid Web site at *dhfs.wisconsin.gov/medicaid/.* The NCPDP 5.1 Implementation Guide is available from the NCPDP Web site at *www.ncpdp.org/.*

Providers and their software vendors may contact the EDI Department if they are interested in testing. For more information about the EDI Department or testing, providers may contact the EDI Helpdesk by telephone at (608) 221-9036 or by e-mail at *wiedi@dhfs.state.wi.us.*

Providers should work closely with their software vendors, information technology staff, and software user guides to verify that POS claims and reversals are submitted accurately according to the Wisconsin Medicaid Companion Document to HIPAA Implementation Guide: NCPDP 5.1 (Rev. 6/9/05).

For More Information

Providers should refer to the revised companion document for more information on NCPDP fields. Providers may refer to the Drug Utilization Review and Pharmaceutical Care section of the Pharmacy Handbook for Wisconsin Medicaid's policy on submitting claims with a response to a DUR alert and a PC dispensing fee.

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. 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.

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 and SeniorCare participants also.

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 *dhfs.wisconsin.gov/medicaid/*.

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ATTACHMENT 1
Drug Utilization Review and Pharmaceutical Care Claim Submission Examples

The following table provides Drug Utilization Review (DUR) and Pharmaceutical Care (PC) service claim submission examples. With the enhancement to the pharmacy Point-of-Sale system, providers may submit a response to a DUR alert *and* a PC service in the same transaction. Refer to the Drug Utilization Review and Pharmaceutical Care section of the Pharmacy Handbook for explanations and additional information about the following service codes. Providers may also refer to the revised Wisconsin Medicaid Companion Document to HIPAA Implementation Guide: NCPDP 5.1 (Rev. 6/9/05).

Example	DUR/PPS* Code Counter (473-7E)	Reason for Service Code (439-E4)	Professional Service Code (440-E5)	Result of Service Code (441-E6)	DUR/PPS LOE** (474-8E)	DUR or PC
A	1	AT	M0	1E	15	DUR *and* PC
B	1	AT	RE	1E	Blank	DUR
C	1	AT	RE	1E	Not sent	DUR
D	1	AT	RE	1E	Blank	DUR
	2	SR	M0	1F	11	PC
E	1	AT	RE	1E	11	PC
	2	SR	M0	1F	11	Not applicable
F	1	AT	RE	1E	Blank	DUR
	2	SR	M0	1F	Blank	Not applicable

*PPS = Professional Pharmacy Services.
**LOE = Level of Effort.

ATTACHMENT 2
Drug Utilization Review and Pharmaceutical Care Claim Submission Requirements

The following table indicates the specific fields that providers are required to submit to Wisconsin Medicaid for Drug Utilization Review (DUR) and Pharmaceutical Care (PC) claims. The "✓" denotes a required field with a DUR or PC claim submission.

Policy Requirements	DUR/PPS[*] Code Counter	Reason for Service Code	Professional Service Code	Result of Service Code	DUR/PPS LOE[**]
Compound Drug	✓				✓
PC	✓	✓	✓	✓	✓
DUR Override	✓	✓	✓	✓	
DUR and PC	✓	✓	✓	✓	✓

[*]PPS = Professional Pharmacy Services.
[**]LOE = Level of Effort.