

To: All Providers, HMOs and Other Managed Care Programs

Tobacco Cessation Products and Services Covered Under BadgerCare Plus and Wisconsin Medicaid

BadgerCare Plus, the new state-sponsored health care program, will be implemented in February 2008. Over-the-counter tobacco cessation products will be covered for all individuals enrolled in BadgerCare Plus and Wisconsin Medicaid. Over-the-counter tobacco cessation products will not be covered for individuals enrolled in SeniorCare. Other tobacco cessation services are also covered under BadgerCare Plus and Wisconsin Medicaid. This *Update* describes the policies for tobacco cessation products and services.

BadgerCare Plus Overview

In January 2007, Governor Jim Doyle included in his 2007-09 Biennial Budget proposal an innovative state-sponsored health care program to expand coverage to Wisconsin residents and ensure that all children in Wisconsin have access to affordable health care. This new program is called BadgerCare Plus, and it will start on February 1, 2008.

BadgerCare Plus merges family Medicaid, BadgerCare, and Healthy Start into a single program. BadgerCare Plus will expand enrollment to:

- All uninsured children.
- More pregnant women.
- More parents and caretaker relatives.
- Parents with children in foster care who are working to reunify their families.
- Young adults exiting out-of-home care, such as foster care, because they have turned 18 years of age.
- Certain farmers and other self-employed parents and caretaker relatives.

All individuals enrolled in BadgerCare Plus and Wisconsin Medicaid will be referred to as “members.”

BadgerCare Plus is comprised of two benefit plans, the Standard Plan and the Benchmark Plan. The services covered under the BadgerCare Plus Standard Plan are the same as the current Wisconsin Medicaid program; therefore, the term “Standard Plan” will be used in all future *Updates* to describe the shared policy and billing information. The BadgerCare Plus Benchmark Plan is a more limited plan, modeled after commercial insurance.

In addition to over-the-counter tobacco cessation products, new services covered under BadgerCare Plus and Wisconsin Medicaid include mental health and substance abuse screening, preventive mental health counseling, and substance abuse intervention services for pregnant women at risk of mental health or substance abuse problems. A future *Update* will describe this benefit for pregnant women in detail.

Refer to the November 2007 *Update* (2007-79), titled “Introduction to BadgerCare Plus — Wisconsin’s New Health Care Program,” for general information on covered and noncovered services, copayments, and enrollment.

Tobacco Cessation Products

Covered Products

Effective for dates of service on and after February 1, 2008, over-the-counter (OTC) nicotine gum and patches are covered for BadgerCare Plus and Wisconsin Medicaid members.

Wisconsin Medicaid and the BadgerCare Plus Standard Plan also cover legend drugs for tobacco cessation.

The BadgerCare Plus Benchmark Plan covers generic legend drugs for tobacco cessation. Brand name drugs may be available for Benchmark Plan members through the Badger Rx Gold Plan, a prescription drug plan for Wisconsin residents. All Benchmark Plan members will be automatically enrolled in the Badger Rx Gold Plan. For more information, refer to the Badger Rx Gold Web site at www.badgerrxgold.com/.

A written prescription from a prescriber is required for both federal legend and OTC tobacco cessation products. Prescribers are required to indicate the appropriate diagnosis on the prescription.

Diagnosis Restrictions

Diagnosis restrictions apply to tobacco cessation products covered under BadgerCare Plus and Wisconsin Medicaid. Prior authorization will be required for uses outside the approved diagnosis (*International Classification of Diseases, Ninth Revision, Clinical Modification* diagnosis code 305.1). A table that lists diagnosis-restricted drugs can be found in the data tables section of the Wisconsin Medicaid Pharmacy Web page at dhfs.wisconsin.gov/medicaid4/pharmacy/data_tables/index.htm.

Reimbursement

Providers will be reimbursed the lesser of the provider's usual and customary charge or the Wisconsin Medicaid rate of reimbursement for covered drugs, plus the current Wisconsin Medicaid dispensing fee.

Tobacco Cessation Services

Covered Services

Tobacco cessation services covered under BadgerCare Plus and Wisconsin Medicaid include medically necessary evaluation and management (E&M) visits and outpatient substance abuse services or outpatient mental health services, as appropriate. Refer to the February 2003 *Update*

(2003-13), titled "Wisconsin Medicaid tobacco cessation services," for more information about covered tobacco cessation services.

Policy and Procedures Under Wisconsin Medicaid

Policy and procedures for tobacco cessation services under Wisconsin Medicaid remain the same.

Policy and Procedures Under the Standard Plan

Policy and procedures for tobacco cessation services under the Standard Plan are the same as they are under the current Wisconsin Medicaid program except for certain copayment requirements explained later in this *Update*.

Policy and Procedures Under the Benchmark Plan

Policy and procedures for tobacco cessation services under the Benchmark Plan are the same as they are under the current Wisconsin Medicaid program except for copayment amounts and requirements (which are explained later in this *Update*) and certain service limitations.

Specific service limitations apply to substance abuse services used for tobacco cessation treatment. After the service limitations are reached, outpatient substance abuse services for tobacco cessation are considered **noncovered**.

Providers should refer to the January 2008 *Update* (2008-05), titled "Mental Health and Substance Abuse Services Under BadgerCare Plus," for more information about service limitations under the Benchmark Plan.

Copayments for Tobacco Cessation Products and Tobacco Cessation Services

Wisconsin Medicaid

Copayments for tobacco cessation legend drugs and tobacco cessation services remain the same for Medicaid members. Previously-established copayment policy for drugs will apply to the new OTC tobacco cessation products.

For dates of service (DOS) on and after February 1, 2008, pregnant women enrolled in Wisconsin Medicaid are exempt from copayment requirements for **all** covered services they receive.

Standard Plan

Copayment amounts under the Standard Plan are the same as they are under the current Wisconsin Medicaid program. Refer to previously published service-specific publications for more information on copayment amounts and limits.

Policy regarding Standard Plan members who are subject to copayments and members who are exempt from copayments is different than that of the current Wisconsin Medicaid program.

Providers should note that the following Standard Plan members **are subject to copayment** for services where copayment applies:

- Members enrolled in BadgerCare Plus Standard Plan HMOs (previously referred to as Medicaid HMOs).
- Members under 18 years of age with incomes above 100 percent of the Federal Poverty Level (FPL).

Providers are prohibited from collecting copayments from the following Standard Plan members:

- Nursing home residents.
- Pregnant women.
- Members under 18 years of age who are members of a federally recognized tribe.
- Members under 18 years of age with incomes at or below 100 percent of the FPL.

Under the Standard Plan, providers **cannot** deny a service if a member fails to make his or her copayment.

Benchmark Plan

Services provided to Benchmark Plan members are generally subject to higher copayment amounts. Copayment amounts for tobacco cessation products and services covered under the Benchmark Plan are as follows:

- Tobacco cessation products — Up to \$5.00 per prescription for generic and OTC drugs. If the reimbursement amount for the prescription is less than \$5.00, the member should be charged the lesser amount as copayment.
- Evaluation and management visits — \$15.00 per visit for tobacco cessation services provided during the E&M visit. A single \$15.00 copayment applies regardless of the number or type of services provided during the visit.
- Outpatient mental health and outpatient substance abuse services — \$15.00 per visit. A visit is defined as all services provided by the same performing provider on the same DOS.

The following members are exempt from copayment requirements under the Benchmark Plan:

- Pregnant women.
- Members under 18 years of age who are members of a federally recognized tribe.

No other members are exempt from the copayment requirement under the Benchmark Plan.

Under the Benchmark Plan, a provider has the right to deny services if the member fails to make his or her copayment.

Information Regarding BadgerCare Plus HMOs

BadgerCare Plus HMOs are required to provide at least the same benefits as those provided under fee-for-service arrangements. For managed care policy, contact the appropriate managed care organization.

Beginning on February 1, 2008, pharmacy services will no longer be included as managed care services in most Medicaid and BadgerCare Plus managed care programs. Refer to the January 2008 *Update* (2008-07), "Pharmacy Consolidation for Wisconsin Medicaid and BadgerCare Plus Managed Care Members," for more information on the pharmacy consolidation.

The *BadgerCare Plus Update* is the first source of program policy and billing information for providers. All information applies to Medicaid, SeniorCare, and BadgerCare Plus unless otherwise noted in the *Update*.

Wisconsin Medicaid and BadgerCare Plus are administered by the Division of Health Care Access and Accountability, 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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