



State of New Mexico
Medical Assistance Program Manual
Supplement



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TO: ALL PHARMACY PROVIDERS PARTICIPATING IN THE NEW MEXICO MEDICAID PROGRAM

FROM:  NANCY SMITH-LESLIE, DIRECTOR, MEDICAL ASSISTANCE DIVISION

SUBJECTS:

1. NALOXONE KIT REIMBURSEMENT FOR FFS PHARMACY PROVIDERS
2. MEDICAID COVERAGE OF INSECT REPELLENTS
3. CORRECT WAY TO BILL FOR DRUGS PURCHASED AT 340B PRICES
4. IDENTIFYING PRESCRIBING PROVIDERS
5. PHARMACY DISPENSING FEES
6. DISCONTINUED FUNDING OF NON-PRESCRIBED EMERGENCY CONTRACEPTION

1. Naloxone Kit Reimbursement for FFS Pharmacy Providers

HSD/MAD would like to clarify the appropriate way to submit Naloxone kit pharmacy claims to obtain the correct reimbursement in the Medicaid fee-for-service program.

A Naloxone Kit includes the items necessary for the Naloxone to be administered intra-nasally, which are:

- Overdose prevention educational materials to include instructions on emergency response by rescuer (rescue breathing and nasal naloxone administration guide).
- The commercially available Naloxone HCl 1mg/ml, 2X2 ml as pre-filled Luer-Lock needleless syringe.
- The commercially available atomizer for nasal administration.

The pharmacy bills the claim using the NDC for the naloxone, showing the quantity dispensed in milliliter units and the appropriate days' supply, which would likely be 1 day for 1 unit.

The pharmacy must populate the following NCPDP Pricing Segments to obtain the appropriate reimbursement:

- Pricing segment: 438-E3 is where the incentive fee amount of \$37.50 is to be entered.
- DUR/PPS Segment: 473-7E Code Counter value should be “1”.
- DUR/PPS Segment: 440-ES Professional Service Code value should be MA (Medication Administration).

Reimbursement will include the calculated cost for the Naloxone, a \$3.65 dispensing fee as well as an incentive payment \$37.50. The incentive payment is intended to reimburse the pharmacy for the cost of the atomizer, putting the packet of the various times together, instructing the recipient on the use of the device, including the prescribing if prescribed by the pharmacist.

The allowed amount as calculated above is compared to the usual and customary charge, so it is very important for the pharmacy to accurately state their usual and customary charge as the amount they would charge a non-Medicaid patient for the product at an amount that includes all the services that comprise the packet, instruction, etc.

Naloxone instructions are also available on the Pharmacists Association Website at:

<http://www.nmpharmacy.org/Naloxone-Resources>

2. Medicaid Coverage of Insect Repellents

Consistent with the guidance from Centers for Medicare & Medicaid Services (CMS) issued June 1, 2016, effective immediately the New Mexico Medicaid program will cover the following over the counter insect repellents and equivalent products when prescribed by an enrolled prescribing provider for Medicaid recipients. This guidance from CMS is primarily to help prevent the spread of the Zika virus.

Pharmacies are to use the following codes to bill for the products:

Product Name	Billing Units	UPC	Bill as the NDC	Allowed Amt Per Unit
Cutter Backwoods 25% Spray 6 oz.	170 g	71121962805	71121-0962-80	0.02335
Cutter Skinsations 7% Spray 6 oz.	177 ml	16500540106	16500-0540-10	0.03485
OFF! Family Care 15% Spray 2.5 oz.	71 g	46500710377	46500-0710-37	0.08197
OFF! Deep Woods Dry 25% 4 oz.	113 g	46500717642	46500-0717-64	0.04230
OFF! Deep Woods Spray 25% 6 oz.	170 g	46500018428	46500-0018-42	0.02929
OFF! Active 15% Spray 6 oz.	170 g	46500018107	46500-0018-10	0.02805
Repel Sportsmen 25% Spray 6.5 oz.	184 g	11423941375	11423-0941-37	0.02684
Repel Sportsmen 40% Max 6.5 oz.	184 g	11423003387	11423-0003-38	0.02097
Natrapel 20% Picaridin 5 oz.	177 ml	44224068781	44224-0068-78	0.03062
Sawyer Insect Repellent 20% 4 oz.	118 ml	50716005448	50716-0005-44	0.07618

- Reimbursement will be based on the allowed amount per unit billed as stated above plus a \$3.65 dispensing fee but not to pay more than the billed amount.

- If you are dispensing a similarly formulated product you may bill the locally assigned “NDC” above for the product that most closely matches the item dispensed. This can be done because there are no federal drug rebate amounts associated with these codes and no utilization reports are provided to the manufacturer. These are not manufacturers’ NDC codes but have been developed and assigned for local use.

3. The Correct Way to Bill for Drugs Purchased at 340B Prices

The 340B Drug Pricing Program allows 340B entities to obtain pharmaceutical products at reduced prices. The state Medicaid program cannot invoice the drug manufacturer for drug rebates for these items that were purchased with a 340B discount.

The Health Resources and Services Administration (HRSA) and CMS require pharmacies that dispense pharmaceuticals to a Medicaid beneficiary with drugs obtained with a 340B discount to bill Medicaid at the pharmacy 340B acquisition cost plus the applicable Medicaid dispensing fee of \$3.65.

In order for a pharmacy to bill correctly as required by law and for the Medicaid program to appropriately limit the payment to a pharmacy and not invoice the manufacturer for rebates the pharmacy must follow these billing procedures when dispensing 340B purchased items.

Effective July 1, 2010, the Medical Assistance Division (MAD) required all 340B contract pharmacies to comply with one of the following options:

1. Not fill prescriptions for Medicaid recipients with drug items purchased at 340B prices and, thereby, not submit claims to Medicaid for pharmaceutical items which were acquired through the 340B drug program; OR
2. If submitting claims for a Medicaid recipient for pharmaceutical items acquired through the 340B program, the pharmacy must (a) submit the actual acquisition cost under the 340B program in the “ingredient cost” field (409-D9); (b) complete the “gross amount due” field (430-DU) as the actual ingredient acquisition cost plus the applicable Medicaid dispensing fee of \$3.65; and (c) identify the claims billed at the 340B price by inserting a “8” in the basis of cost field (423-DN) in the NCPDP transaction.

4. Identifying Prescribing Practitioners

May 13, 2015, MAD Program Manual Supplement 15-03, was HSD/MAD’s most recent notification to pharmacies and other providers of the need to accurately identify prescribers on the pharmacy claim. That document may be viewed at:

<http://www.hsd.state.nm.us/uploads/files/Providers/New%20Mexico%20Administrative%20Code%20Program%20Rules%20and%20Billing/Supplements%20for%20MAD%20NMAC%20Program%20Rules/Supp%2015-03%20Multiple%20Topics%205%2013%2015%20FINAL.pdf>

Effective January 1, 2017, for a claim that is paid through the fee-for-service Medicaid program, MAD will implement the federal requirement that a prescriber must be enrolled in the Medicaid program in order for the claim to be payable.

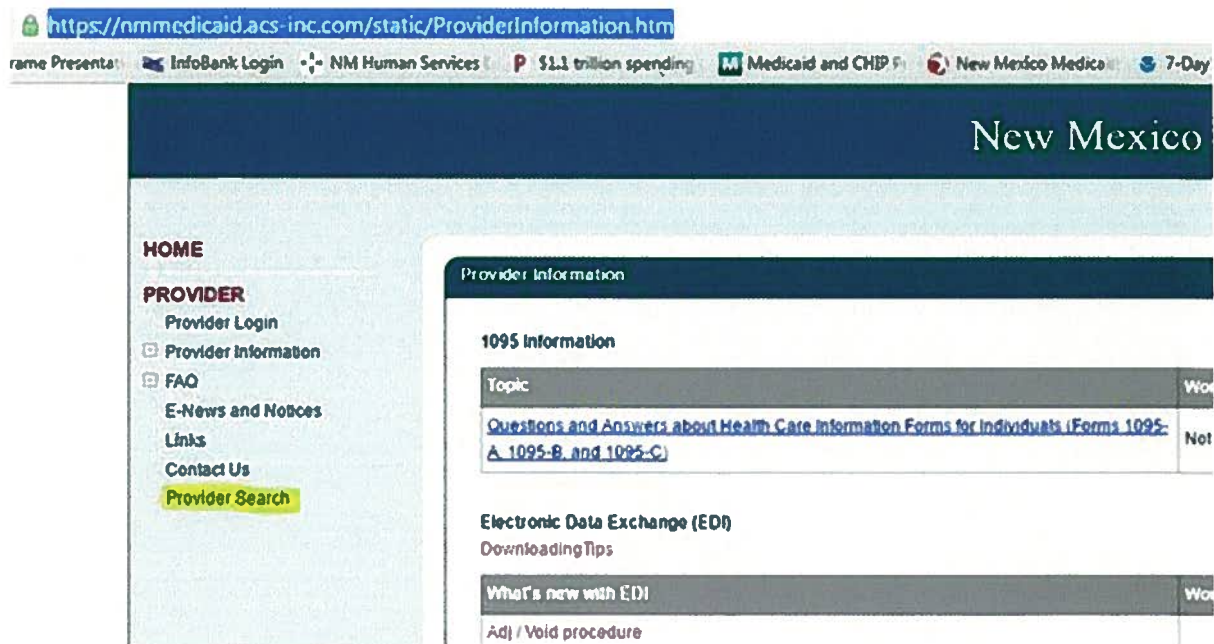
MAD is identifying pharmacy claims for which the identified prescriber is not enrolled in the Medicaid program, either as a fee-for-service provider, or as a managed care provider, and will be contacting those prescribers about the need to enroll if they expect to have the prescriptions they write reimbursed through the Medicaid fee-for-service program.

Beginning with drug items dispensed on or after January 1, 2017, if the prescriber is not enrolled as indicated below, the pharmacy claim will not be paid.

MAD is working on provisions to help recipients needing items to avoid emergency situations that would allow the pharmacy to be paid even though the prescribing provider is not enrolled, but this type of situation will be an exception and not the rule. MAD must comply with the federal requirement regarding the prescriber.

It is mandatory for NCPDP pharmacy transactions that the pharmacy report the NPI of the prescribing provider in segment 411-DB. The pharmacy may look up the NPI of a provider participating in the Medicaid program on the Xerox/MAD portal and may determine if the prescriber is enrolled in the Medicaid program as required.

- A. From the main 'Provider Information' section of the portal <https://nmmedicaid.acs-inc.com/static/ProviderInformation.htm>
- B. Click on the 'Provider Search' link on the left side of the screen (highlighted in yellow below) (it can also be accessed directly by going to this URL <https://nmmedicaid.acs-inc.com/webportal/providerSearch>):



C. Then you can do a search by NPI, organization name or provider name:

The screenshot shows the New Mexico Medicaid Portal at the URL <https://nmmedicaid.acs-inc.com/webportal/providerSearch>. The page features a dark blue header with the text "New Mexico Medicaid Portal" and navigation links for "Home", "Contact Us", and a "Search" button. A left sidebar contains menu items under "INFORMATION", "WEB REGISTRATION", and "PROVIDER ENROLLMENT". The main content area is titled "Provider Search" and includes instructions: "User would initiate search by selecting one of the following criteria" and "* denotes required field(s)". Below this is a table with three search criteria, each with a radio button and a text input field:

Provider Search	
<input type="radio"/> NPI	<input type="text"/>
<input type="radio"/> Organization Name	<input type="text"/>
<input type="radio"/> Provider Name For best results enter Last Name First Name without punctuation (example Doe John)	<input type="text"/>

At the bottom of the search form are two buttons: "Submit" and "Clear".

D. You will get results such as the below:

New Mexico Medicaid Portal

Home Contact Us Search **GO**

INFORMATION
 Provider Information
 FAQ

WEB REGISTRATION

PROVIDER ENROLLMENT
 Enroll Online
 Check Enrollment Status
 Download Enrollment Application

Provider Search Results

The most current enrollment information is below. For questions or additional information, contact Xerox Provider Enrollment at 505-246-9988 or 800-299-7304. To contact a specific Managed Care Organization for contract status or other information, please contact
 Molina: Provider Support 888-825-9268
 United Healthcare: Britny Hogan, Provider Installation Specialist UnitedHealthcare Community Plan britny_hogan@uhc.com 505-449-4178
 BlueCross BlueShield of NM: Provider Customer Service for Centennial Care : 1-800-693-0663
 Presbyterian: Danielle Baca, Contracting Admin Support - Provider Reimbursement Office 505-923-6564 Fax 505-923-5440 dbaca15@pba.org

NPI	Organization Name / Provider Name	City / State / Zip	Enrollment Status	Provider Type	Effective Date
1437277670	MARSHALL DAIJUTA PT	ALBUQUERQUE/ NM/ 87112	Enrolled for Medicaid fee for service and active for managed care - must contact specific managed care organization for contract status	453 Physical Therapist, Lic & Cert	10/01/2002
1346343324	CORRIZ STEPHEN MARSHALL DO	GALLUP/ NM/ 87301	Enrolled for Medicaid fee for service and active for managed care - must contact specific managed care organization for contract status	302 Physician, DO	11/06/2009
1669804993	MARSHALL JOSHUA J DPM	ALBUQUERQUE/ NM/ 87111	Enrolled for Medicaid fee for service and active for managed care - must contact specific	325 Podiatrist	07/18/2016

E. If you do not get any results, re-check the information entered.

F. If the prescriber is a pharmacist with prescribing authority for the item, place the NPI of the pharmacy in the prescriber NPI field on the claim transaction.

G. Also, if you do not find the individual prescriber, and the prescriber works for an organization such as an Indian Health Service Facility or other tribal healthcare facility, an FQHC, or is a resident at UNM Hospital, you can look up the organization using the provider name search field and use that NPI as the prescriber.

You can search for an organization even by just putting part of the organization's name in the search field. The NPI of an organization like those listed above may be entered as the prescriber.

If the searches above do not locate the prescriber, it is likely that the prescriber is not enrolled as a Medicaid provider.

If you need additional help determining whether a provider is enrolled, you may contact the fiscal agent, Xerox, at:

Provider Relations - HIPPA Helpdesk	Local	505-246-0710 option 6
	Toll Free	1-800-299-7304 option 6 then option 4
	Email	HIPPA.Desk.NM@xerox.com

5. Pharmacy Dispensing Fees

Beginning with dates of service February 1, 2016, the dispensing fee used when calculating the payment amount for a pharmacy drug claim is \$3.65. Thus, for a typical pharmacy claim, the calculated ingredient cost plus a dispensing fee of \$3.65, is compared to the usual and customary charge and the gross amount due when submitted. If the pharmacy submits both a billed amount and a gross amount due, the lower of those two amounts is considered the usual and customary charge of the pharmacy. The claim is then paid at the lower of the usual and customary charge or the calculated ingredient cost plus a dispensing fee of \$3.65.

Any dispensing fee submitted by the pharmacy on the pharmacy transaction is not actually used in the calculation though it is fine for the pharmacy to submit an amount. Rather, \$3.65 is used as the dispensing fee in the calculation described above. Even if a pharmacy placed \$2.50 in the dispensing fee field on the claim, the \$3.65 amount was used to calculate the payment amount on the claim beginning February 1, 2016.

6. Discontinued Funding of Non-Prescribed Emergency Contraception

The New Mexico Department of Health has decided to discontinue funding of the Over the Counter (OTC) coverage of Emergency Contraception dispensing due to lack of utilization of this benefit. New Mexico Medicaid will no longer allow for reimbursement of the OTC products not prescribed by a Medicaid provider or a prescribing pharmacist effective October 1, 2016.

If you have questions regarding the above information, you may contact the Medical Assistance Division Program Policy Bureau at (505) 827-3145.

We appreciate your participation in the Medicaid program.