New York State EPIC Prescription Protection for Seniors

Provider Bulletin

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BULLETIN NO. 08-02 **August 2008**

SUBJECT: **EPIC Program Changes**

- **Maximizing Medicare Part D Coverage**
- **Mandatory Generic Program**

Effective October 1, 2008, EPIC will implement two important program changes in order to increase the use of Medicare Part D coverage and generic drugs. These changes are designed to improve the cost effectiveness of the program without compromising seniors' access to needed drugs, and will also provide added savings to seniors. This bulletin provides important information about these changes and how they will affect both your EPIC customers and your pharmacy. Pharmacy software vendors and prescribers are also being notified.

Highlights

Maximizing Medicare Part D Coverage

- When a Part D plan or other primary drug plan denies coverage of a drug for EPIC enrollees, pharmacists are required to consult with the prescriber before billing EPIC to consider an alternative drug covered by the Part D plan. Claims will require a certification that a prescriber contact was initiated. See page 2 for details.

- EPIC will be submitting appeals to Part D plans on behalf of EPIC members to request formulary exceptions or prior authorizations. See page 3 for details.

Mandatory Generic Program

- EPIC will implement a Mandatory Generic Program that will require substitution of brand multi-source drugs with "A" rated generic equivalents. This requirement only applies to claims where EPIC is the only payer; it does not apply to claims covered by a Medicare Part D or other primary plan. See pages 3 – 4 for important details.

Notice to Enrollees

- We are in the process of sending a general letter to all EPIC enrollees informing them of these program changes. A copy is attached for your reference, in case an EPIC customer has a related question.

Maximizing Medicare Part D Coverage

Provider Billing Protocols

- Claims denied by Part D or other primary insurer for billing errors such as missing/invalid information must be corrected and resubmitted to Part D before billing to EPIC.

- If a drug is denied by a Part D or other primary plan because it is not on the formulary (NCPDP reject code 70) or it requires prior authorization (NCPDP reject code 75), **before billing EPIC, the pharmacist needs to contact the prescriber** to determine if an alternative drug covered by the primary plan can appropriately be substituted.

  - If the prescriber changes the drug to one on the primary plan's formulary, the new drug should be billed to the other plan first. Then bill EPIC for the plan deductible or co-payment amount, with an Other Coverage Code (OCC) of 8.

  - If the prescriber does not agree to change the drug, the claim should be submitted to EPIC with the following data:

    - OCC of 3 (other payer denied coverage) (field# 308-C8)
    - Other Payer Reject Codes (field# 472-6E) included on the other plan rejected claim
    - Submission Clarification Code (SCC) of 7 – certifying the prescriber was consulted for this prescription; the drug is medically necessary (field# 420-DK)

  - If the prescriber was not able to be reached, the claim should be submitted to EPIC with the following data:

    - OCC of 3
    - Other Payer Reject Code(s) included on the other plan rejected claim
    - SCC of 99 – certifying an attempt was made, but the pharmacy was unable to reach the prescriber

  Important notes regarding this new requirement:

  - The prescriber needs to be consulted the first time the prescription is dispensed on or after October 1, 2008. Thereafter, a consultation needs to occur with each new (initial fill) prescription, not on refills, even though it is the same medication. This is because the drug plans and formularies may change.

  - If the pharmacist was unable to reach the prescriber before filling the prescription, they should consult with the prescriber before the next refill.

- Through submission of the SCC on each fill of a prescription, the pharmacy is certifying that they either consulted or tried to consult with the prescriber on the prescription before billing EPIC. Each consultation, or attempt, must be documented in the pharmacy records.

- The following categories of drugs are generally excluded from Medicare Part D coverage and, therefore, will not be subjected to this new requirement:
    - Benzodiazepines
    - Barbiturates
    - Prescription vitamins and minerals
    - Drugs for anorexia, weight loss or gain
    - Drugs for cosmetic purposes
    - Drugs to relieve cough and cold symptoms

Submission of Part D Appeals

EPIC will be submitting appeals to Part D plans on behalf of EPIC members for drugs not being covered by the plans which the prescriber considers medically necessary. By October 1, 2008:

- Appeals will be initiated on prescriptions covered by EPIC after being denied by Part D, to the extent that it is cost effective.

- For selected prescriptions, EPIC will complete the plan-specific Coverage Determination Form (first step in the appeals process) with any available information, e.g. participant, prescriber, and drug information. EPIC will contact the prescriber's office to obtain any other needed information before submitting the request to the plan. Pharmacies may be contacted if necessary to obtain additional information to complete the form.

- In the case of a successful appeal, the next time the prescription is filled it will automatically be covered by the Part D plan.

Mandatory Generic Program

Beginning October 1, 2008, new prescriptions being covered only by EPIC for brand name drugs that have an "A" rated generic equivalent available will be subject to prior authorization (PA). To obtain a PA, prescribers must call the

EPIC Prior Authorization Call Line: 1-800-256-8082

The following important details are provided:

- This new requirement only applies when EPIC is the only payer. Claims covered by Part D or other primary payers, that are being billed to EPIC to cover the primary plan co-payment or deductible (including Part D coverage gap), will not be affected.

- Only new prescriptions dispensed on or after October 1, 2008 will require a PA, not refills. However, please alert your EPIC customer when a prescription being refilled will require generic substitution in the future.

- If a claim is submitted to EPIC for a brand drug that requires substitution, the claim will be denied with a reject code of 75 (Prior Authorization Required) with a clarifying variable message. The prescriber should be consulted to either authorize substitution with a generic, or obtain an EPIC PA by calling the EPIC Prior Authorization Call Line (1-800-256-8082).

- Emergency Supply – If the prescriber cannot be reached, or has not yet obtained a PA, the pharmacist may obtain a prior authorization for up to a 72-hour emergency supply of the brand name drug if necessary. To obtain a PA, the pharmacy must call the EPIC Prior Authorization Call Line (1-800-256-8082), select the emergency supply option, and respond to the prompts for EPIC ID, Pharmacy ID, and drug name. Please note that once the 72-hour supply is dispensed, that prescription is no longer valid for the remaining quantity and refills.

- As soon as the PA is obtained by the prescriber (or pharmacy for emergency supply), the pharmacy can submit the claim for approval. The EPIC online claim system will automatically approve the claim if a prior authorization is on file for that EPIC enrollee and drug.

- The EPIC PA call line is an automated voice-activated system that will prompt the caller for needed information. The call line will be available 24 hours a day, seven days a week, starting October 1, 2008.

- Drug Exceptions – The following drugs will be exempt from the Mandatory Generic Program requirements, consistent with the Medicaid Mandatory Generic Program, and will not require a prior authorization:

Clozaril®	Coumadin®	Dilantin®	Gengraf®	Lanoxin®
Levoxyl®	Neoral®	Sandimmune®	Synthroid®	Tegretol®
Unithroid™	Zarontin®			

- Generic Unavailable in Marketplace – If the pharmacist has attempted to provide an "A" rated generic for a brand name product and the generic is unavailable for purchase in the marketplace, the pharmacist can obtain a prior authorization for the brand name product. To obtain a PA, the pharmacy must call the EPIC Prior Authorization Call Line (1-800-256-8082), select the Generic Not Available option, and respond to the prompts for Pharmacy ID, EPIC ID, and drug name. <u>The prior authorization is effective for the original dispensing and refills for six months. However if an "A" rated generic becomes available when the prescription needs to be refilled within that time, EPIC expects the pharmacy provider to use the generic to refill the prescription.</u>