



# Medicare Part D

April 20, 2017  
3<sup>rd</sup> Floor-Gold Room



# Outpatient Pharmacy

**Effective with date of service 04/01/2017** the All Inclusive Rate (AIR) shall be reimbursed for federally reimbursable drugs rather than pharmacy clinic consult services.

IHS/638 facility Pharmacy outpatient services for Title XIX (Medicaid) recipients are required to be billed using revenue code 0519, the National Drug Code (NDC) of the medication and the facility's NPI billed as the attending provider on the UB-04 claim form (837I for electronic claims)

# Billing Pharmacy Claims Title XIX

- Use revenue code 0519.
- Use bill type 131 (hospital Outpatient, admit through discharge) or 711 (clinic, rural health, admit through discharge).
- All pharmacy claim lines billed with rev code 0519 must have a valid NDC code on every line, with the **first line** containing a valid/covered NDC code.
- The AHCCCS Pharmacy web page has more information about the NDC requirements as well as the AHCCCS Drug Lists:

<https://www.azahcccs.gov/PlansProviders/Pharmacy/>

# Billing Pharmacy Claims Title XIX

- The Indian Health Services and 638 Tribal facility pharmacies shall bill AHCCCS the AIR using the date of service, also known as the fill date. AHCCCS allows one outpatient pharmacy clinic encounter per recipient, per date of service regardless of the number of pharmacy services during the encounter. (Note: the number of clinic visits per recipient, per date of service is limited to 5, one of which can be the outpatient pharmacy clinic visit.)
- The AIR shall be reimbursed for only one pharmacy visit per date of service, when claims are submitted on separate claim forms for drugs billed on the same date of service/fill date.

# Common Pharmacy Billing Errors

- An invalid and or non-covered NDC code on the first line will cause the whole claim to deny.
- Invalid NDC codes: If the NDC code on each line does not follow the standard NDC format (i.e. typo) the whole claim will deny even if the first line has a valid/covered NDC code.
- Exception: Anticoagulants do not have NDC codes. Anticoagulants, must be billed using a valid corresponding diagnosis code for the drug.

# Prescription Drug Coverage Limitations

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AHCCCS covers the following for AHCCCS recipients and non-Title XIX SMI recipients who are eligible to receive Medicare:

- An Over-the-Counter (OTC) medication that is not covered as part of the Medicare Part D prescription drug program and is prescribed in place of a covered prescription medication that is clinically appropriate, equally safe and effective, and more cost effective than the covered prescription medication.
- A drug that is excluded from coverage under Medicare Part D by CMS and the drug is medically necessary and federally reimbursable.

Refer to the AHCCCS Pharmacy webpage for the AHCCCS Duals Formulary at:

<https://www.azahcccs.gov/Resources/Downloads/PharmacyUpdates/AHCCCSDualFormulary.pdf>

# Billing Pharmacy Claims Title XXI

- Claims for Title XXI (KidsCare) recipients must be submitted to OptumRx as described in Chapter 10 of the IHS/Tribal Provider Billing Manual.

<https://www.azahcccs.gov/PlansProviders/Downloads/IHS-TribalManual/IHS-Chap10Pharmacy.pdf>

# Billing Pharmacy Claims -Example

Example 1, Line 1 billed with a valid AHCCCS covered NDC code  
Line 2 billed with a valid AHCCCS covered NDC code

Will pay the AIR on line 1

LN	Rev code	NDC Code	MEAS CD	NDC Units	SVC Units	Charges	Service Dates
L1	0519	00074455219	UN	30	1	368.00	11/01/16 – 11/01/16
L2	0519	00603053550	UN	30	1	0.00	11/01/16 – 11/01/16



# Billing Pharmacy Claims -Example

## Example 2:

Line one billed with a valid AHCCCS covered NDC code and the AIR  
Line two can be billed with a covered or non-covered NDC code.

Will pay the AIR on line 1

LN	Rev code	NDC Code	MEAS CD	NDC Units	SVC Units	Charges	Service Dates
L1	0519	00074455219	UN	30	1	368.00	11/01/16 – 11/01/16
L2	0519	00603053550	UN	30	1	0.00	11/01/16 – 11/01/16

# Billing Pharmacy Claims -Example

## Example 3:

Line 1 billed with an invalid or a non-covered NDC code

Line 2 billed with a valid AHCCCS covered DNC code and the AIR

The whole claim will deny

LN	Rev code	NDC Code	MEAS CD	NDC Units	SVC Units	Charges	Service Dates
L1	0519	00603053500	UN	30	1	0.00	11/01/16 – 11/01/16
L2	0519	00603053550	UN	30	1	368.00	11/01/16 – 11/01/16

# Billing Pharmacy Claims -Example

## Example 4:

Line 1 billed with a valid AHCCCS covered NDC code and the AIR

Line 2 billed with a valid AHCCCS covered or a non-covered NDC code

Line 3 billed with a invalid NDC code

The whole claim will be denied

LN	Rev code	NDC Code	MEAS CD	NDC Units	SVC Units	Charges	Service Dates
L1	0519	00074455219	UN	30	1	368.00	11/01/16 – 11/01/16
L2	0519	00603053550	UN	30	1	0.00	11/01/16 – 11/01/16
L3	0519	00603053500	UN	30	1	0.00	11/01/16 – 11/01/16

# Contacts and Information

For claims status, please use the AHCCCS On-Line Portal available at:  
<https://azweb.statemedicaid.us/Account/Login.aspx?ReturnUrl=%2f>

For technical assistance with your AHCCCS online web portal, please call AHCCCS ISD Customer Support Desk at: 602-417-4451

For technical assistance with your Claims, please contact the Claims Customer Service Unit at 602-417-7670, Option 4.

If you require individualized training, please send your request via email to: [ProviderTrainingFFS@azahcccs.gov](mailto:ProviderTrainingFFS@azahcccs.gov)

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# Questions?



# Thank You.



Please take a few minutes to complete a survey on today's training session.

We appreciate your feedback.

Here is the survey link:

<https://www.surveymonkey.com/r/652ZDH6>

