



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Medical Assistance
600 Washington Street
Boston, MA 02111
www.state.ma.us/dma

MassHealth
Pharmacy Bulletin 69
November 2001

TO: Pharmacies Participating in the Medical Assistance Program
FROM: Wendy E. Warring, Commissioner
RE: ON-LINE SUBMISSION OF PHARMACY CLAIMS

What's Changing

Effective December 17, 2001, the Pharmacy On-line Processing System (POPS) will be the *only* accepted method for processing pharmacy claims for services provided to MassHealth members. The Division's contractor for POPS will be ACS State Healthcare (ACS). ACS has developed a new POPS for the Division, which includes improvements and changes, detailed in this bulletin, that will benefit members, providers, and the Division. The new POPS will help the Division to continue improving its management of the MassHealth pharmacy benefit.

Training Invitation

ACS is conducting provider-training sessions on the new POPS at different locations across the state from November 27 through December 6, 2001. The procedural, policy, and billing issues dealing with on-line claims submission will be discussed in the training sessions. (Notification about the training sessions was sent to you under separate cover.)

Each of the changes discussed in this bulletin will be discussed in detail in the provider training sessions led by ACS, as well as in written materials provided by ACS under separate cover.

Three Law C.E.U. credits will be awarded to pharmacists who attend a training session. All pharmacy providers will be mailed a training manual and a payer sheet from ACS.

Enhancements

POPS will now feature the following enhancements:

- The new system will be stand-alone and, as such, will not be subject to frequent or unscheduled downtime. Providers should experience more reliability in the new system. The new system will be available up to 23 hours a day Monday through Friday, and 20 hours a day on Saturday and Sunday, except for scheduled maintenance periods.
 - To facilitate provider calls to Drug Utilization Review (DUR) at the University of Massachusetts Medical School (UMMS), the ACS Help Desk will have enhanced access to on-line information. All claims, except for compound prescriptions over \$200, can now be billed on-line. Consequently, the pharmacy claim form no. 6 will be eliminated.
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Highlights

ACS will become responsible for processing all pharmacy claims on December 17, 2001, regardless of the date of service of the claim. Claim records from the current POPS will be migrated to the new POPS. Providers will be able to reverse claims submitted to the current POPS by submitting reversal transactions to the new POPS.

- Pharmacy claims submitted on-line to Unisys before December 17, 2001, will be processed as they currently are.
 - Pharmacies must change their on-line routing (BIN) number to **009555** before submitting claims on-line to ACS on December 17, 2001.
 - The new system will accept claims in the National Council for Prescription Drug Programs (NCPDP) version 3.2 (C) and version 3.2 variable formats.
 - Approved prior authorizations (PAs) in the current POPS will be migrated to the new POPS. Therefore, providers will *not* have to obtain new authorizations for services approved before December 17, 2001.
 - Clinical certifications will continue to be performed at UMMS DUR.
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Highlights (cont.)

- The Division will continue to be responsible for issuing remittance advices—paper and electronic—to pharmacy providers. The State Treasurer will continue to be responsible for issuing checks and electronic fund transfers.
 - ACS will continue to accept claims from the existing network of approved switch vendors.
 - ACS will be responsible for answering all questions from pharmacy providers about the MassHealth pharmacy program, billing, procedures, and POPS. Beginning December 17, 2001, pharmacy providers should no longer call MassHealth Provider Services at Unisys with questions about pharmacy claims processed through the current POPS. The toll-free number for the ACS Help Desk is 1-866-246-8503.
 - For questions about claims for durable medical equipment (DME) services billed on claim form no. 9 (or the corresponding electronic format), pharmacy providers should continue to contact MassHealth Provider Services at Unisys. In addition, Unisys continues to be responsible for the enrollment and credentialing of pharmacy providers and the maintenance of the MassHealth provider file. Providers must continue to direct any inquiries and correspondence about provider file issues to MassHealth Provider Enrollment and Credentialing at Unisys.
 - ACS will be responsible for POPS on December 17, 2001. To ensure continuity of pharmacy claims processing services, the Division has contracted with its current vendor, Unisys, to continue POPS operations until December 31, 2001, in the event of a delay in the start date for ACS. The Division and ACS will review this issue in detail at the training sessions.
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Paper Billing Changes

- Currently there are several pharmacy transactions that cannot be billed on-line and must be billed on paper. Unisys will continue to process all pharmacy paper claims (compound prescriptions, anti-hemophilia drugs, and requests for 90-day waivers) received by December 3, 2001, leaving a two-week window for all paper claims to adjudicate before the implementation of the new POPS. Any paper claim received after that date will be returned to the provider for processing according to instructions to be provided by ACS.
 - Claims that have received a 90-day waiver can be billed on-line after December 17, 2001. The Division's policy for 90-day waivers is not changing, as ACS will apply the same criteria in reviewing requests as Unisys did.
 - Anti-hemophilia drugs can be billed on-line after December 17, 2001.
 - ACS will not handle paper pharmacy claims, with the exception of claims for compound prescriptions for amounts of more than \$200.
 - Compound prescriptions for amounts of \$200 or less can be billed on-line in the new POPS. Pharmacists must select and transmit the compound indicator for these claims to process successfully.
 - For compound prescriptions over \$200, the pharmacist must: provide information about the pharmacy claim, including itemized ingredient costs; indicate on these compound prescriptions if the usual and customary charge cost is less than the cost of the ingredients plus \$4; and include a copy of the prescription to ACS for approval. This information should be faxed to ACS, at 1-866-566-9314, on pharmacy letterhead stationery.
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Systems Changes

- All pharmacy providers should consult with their software vendors and switching companies to ensure that their products will remain compatible with the Division's new system. These vendors and companies should contact ACS at 1-866-246-8503 for further information. Pharmacists must have fully functional software that meets all of the Division's pharmacy claims processing requirements, including the reversal of claims when appropriate.
 - In order to transfer the files from the current POPS system to the new POPS, the system must be brought down for a period of time on the weekend before December 17, 2001. There is no change to the usual down-time procedures. Please refer to the Division's program regulations for issuing emergency supplies, if appropriate. Every effort will be made to schedule and shorten this down time to minimize disruptions to your business.
 - The Division is eliminating the rounding up of quantities and requiring the use of metric decimal fractional quantities, when appropriate. (For example, erythromycin eye ointment would be billed at 3.5 units, instead of 4.)
 - Pharmacists must enter the prescriber's DEA number for all Schedule II-V prescription claims. The DEA number is also requested for Schedule VI and nonlegend drugs.
 - Pharmacists must now enter the original date that the prescription was written by the prescriber.
 - The free-text messaging area in the claim will contain additional messaging information to better assist the submitter in understanding specific conditions associated with the response to the submission.
 - Early refill requests for reasons attributed to vacation, theft, or loss must receive certification from DUR.
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Systems Changes (cont.)

- The system will not allow providers to override member eligibility when a member presents a temporary MassHealth card. ACS will provide instructions for these situations.
 - Some features, as well as some override and messaging practices of the current POPS, will not exist in the initial implementation of the new POPS.
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**Policy
Reminder**

Please refer to MassHealth Transmittal Letter PHM-43, issued October 2001, for changes to the pharmacy regulations covering prescription requirements, prior authorization for certain brand-name drugs with generic equivalents, and other revisions. The Division is not making any additional policy changes with the implementation of the new system.

TPL Reminder

MassHealth Payment for Claims with Third-Party-Liability Coverage

When a member has other health insurance coverage, such as Medicare, private insurance, or a senior care plan, in addition to MassHealth coverage, MassHealth continues to be the payer of last resort. As explained in 130 CMR 450.317, the Division's liability is always the lesser of 1) the member's liability, which includes co-insurance, deductibles, and copayments, or 2) the provider's charges or Division's maximum allowable amount, whichever is less, minus other health insurance payments and contractual adjustments. For the purposes of 130 CMR 450.317, a contractual adjustment is the adjustment established in an agreement with any third party to accept payment for less than the amount of charges. Any Division payment beyond its legal liability must be returned to the Division.

Network Pharmacies

If your pharmacy does not participate in a member's restricted health plan network, you should instruct members to take their prescriptions to their health plan's network pharmacy, except for family-planning services that were not provided or arranged for by the MCO.

Pricing Reminder

The Division routinely updates drug prices to reflect the current Massachusetts Upper Limit Prices (MULP) and the Federal Upper Limit Prices (FULP).

DME and Medical Supplies Reminder

Pharmacies that are approved to bill MassHealth for DME and medical supplies must submit their claims on-line to the new POPS vendor if the service is a service for which an NDC code exists. (Most claims in this category are for equipment needed for the management of diabetes.) When the claim is for other DME services that must, according to the Division's DME regulations, be billed with a HCPCS code or local service code on a claim form no. 9 (or its electronic equivalent), the claim must be submitted to Unisys, not to ACS.

Future Changes

Further modifications to POPS will be implemented on or about October 16, 2002, and will require pharmacy providers to submit claims using the National Council for Prescription Drug Program (NCPDP) version 5.1 format. The Health Insurance Portability and Accountability Act (HIPAA) mandates this timeframe and format.

Contact Information

- Please direct any questions about the MassHealth pharmacy program, billing, and POPS to the ACS Help Desk at their toll-free number, 1-866-246-8503. The ACS Help Desk is available 24 hours a day, 7 days a week.
 - If you did not attend a training session and wish to do so, please call the ACS Help Desk at 1-866-246-8503, or send a fax to 1-866-566-9314.
 - The Division has reissued Appendix A to the *Pharmacy Manual* to include contact information about ACS. Appendix A was issued by Transmittal Letter ALL-101, dated November 2001, and can also be found on the Division's Web site at www.state.ma.us/dma.
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Questions

If you have any questions about this bulletin, please call the ACS Help Desk at 1-866-246-8503. Written questions can be sent to the following address.

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Attention: MassHealth
365 Northridge Center 1
Suite 400
Atlanta, Georgia 30350

Fax: 1-866-566-9314

E-Mail: masshealth.providerrelations@acs-inc.com
