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Pharmacy Facts

MassHealth Pharmacy Program

www.mass.gov/masshealth/pharmacy

• Editor: Vic Vangel • Contributors: Chris Burke, Gary Gilmore, Paul Jeffrey, James Monahan, Chuck Young, Nancy Schiff •

Claims Processing Update

1. Claim Submission When MassHealth is the Secondary Insurer

Effective April 8, 2009, the use of Other Coverage (OC) Code 04 will no longer be permitted. Listed below are valid OC Codes (NCPDP field 308-C8) that may be used.

- 02 – Other coverage exists-payment collected
- 03 – Other coverage exists-claim not covered
- 07 – Other coverage exists-not in effect on date of service
- 08 – Claim is billing for copay

Use Code 02 only when the primary insurer has made a payment. Enter the amount that the pharmacy has collected from the primary insurer in the Other Payer Amount Paid field (NCPDP field 431-DV).

Use Code 03 when the primary insurer has denied the claim. When using Code 03, an entry must be made in the Other Payer Reject Code field (NCPDP field 472-6E). The valid reject codes are as follows.

- 60 – Product/service is not covered for patient age.
- 61 – Product/service is not covered for patient gender.
- 63 – Institutionalized patient product/service ID is not covered.
- 65 – Patient is not covered.
- 66 – Patient age exceeds the maximum age.
- 67 – Filled before coverage is effective.
- 68 – Filled after coverage expired.
- 69 – Filled after coverage was terminated.
- 70 – Product/service is not covered.
- 71 – Prescriber is not covered.
- 76 – Plan limitations were exceeded.
- AA – Patient spend-down was not met.
- M1 – Patient is not covered in this aid category.
- RN – Plan limits were exceeded on intended partial fill values. MassHealth will pay only as the primary payer when one of the other payer reject codes listed above is received.

Use Code 07 when the primary insurer has denied the claim because the primary coverage was not in effect on date of service. The valid reject codes that can be used in Other Payer Reject Code Field when using OC 07 are as follows.

- 67 – Filled before coverage was effective.
- 68 – Filled after coverage expired.
- 69 – Filled after coverage was terminated.
- 76 – Plan limitations were exceeded.

A pharmacy would use OC Code 08 when billing 100% of the copay from a paid claim to MassHealth. For example, when a member has a \$10 copay with their primary insurer and they receive a prescription with a total cost of \$7, the pharmacy would bill MassHealth for the full \$7 using Code 08. *If the primary insurer has made any payment toward the claim, Code 02 should be used.*

More information is accessible on the MassHealth Web site in the MassHealth Pharmacy Online Processing System (POPS) Billing Guide. This can be viewed at www.mass.gov/masshealth/pharmacy. Go to MassHealth Pharmacy Publications and Notices for Pharmacy Providers and click on the link for POPS Billing Guide.

2. Claims for Secondary Payment for Medicare Part B Covered Items

Effective April 7, 2009, for Medicare Part B covered drugs and durable medical equipment (DME) or supplies payable through POPS, (e.g. test strips or lancets), pharmacy providers must submit claims for secondary payment from MassHealth in the same manner for Medicare-eligible members as for members with any other primary insurance. A pharmacy should never assume a claim for any item paid through POPS will be paid as a crossover claim.

3. Prescriber NPI Requirements

The National Provider Identifier (NPI) is mandated for compliance with the HIPAA standard transaction requirements. Effective April 8, 2009, MassHealth will require pharmacy providers to include the prescriber's NPI number in the Prescriber ID field (NCPDP field 411-DB) for all pharmacy claim transactions. Other prescriber identifiers such as prescriber DEA number will no longer be accepted.

When submitting a claim with a prescriber NPI number, the pharmacy must enter the value of "01" in the prescriber ID qualifier field (NCPDP field 466-EZ). Claims submitted without the prescriber NPI qualifier will be denied and the pharmacy will receive the message, EZ – INVALID PRESCRIBER ID QUALIFIER.