Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
600 Washington Street
Boston, MA 02111
www.mass.gov/masshealth

MASSHEALTH
TRANSMITTAL LETTER POD-51
April 2006

TO: Podiatrists Participating in MassHealth

FROM: Beth Waldman, Medicaid Director BW

RE: *Podiatrist Manual* (Revision to Regulations About Medicare Part D)

This letter transmits revisions to the podiatrist regulations as a result of federal law enacting Medicare Part D and a new state law providing certain benefits to Medicare Part D-eligible members. The change applies to MassHealth members who have Medicare and who can enroll in a Medicare Part D drug plan.

Effective January 1, 2006, MassHealth provides assistance with Medicare Part D copayments, in accordance with Chapter 175 of the Acts of 2005.

Due to widespread and systemic problems across the Commonwealth with the implementation of Medicare Part D drug coverage, between January 7, 2006, and March 15, 2006, MassHealth provided temporary emergency coverage for outpatient prescription drugs for individuals with both Medicare and MassHealth. This coverage was available if a pharmacy was not able to bill a Medicare Part D plan or the Wellpoint/Anthem point-of-sale contingency plan.

Once the temporary emergency coverage ended, effective March 16, 2006, MassHealth began providing limited supplies of Medicare Part D-covered drugs, in accordance with Chapter 175 of the Acts of 2005.

These emergency regulations were effective January 1, 2006.

MassHealth is also issuing an updated Appendix E, Utilization Management Program.

If you have any questions about the information in this transmittal letter please contact MassHealth Customer Service at 1-800-841-2900, e-mail your inquiry to providersupport@mahealth.net, or fax your inquiry to 617-988-8974.

NEW MATERIAL

(The pages listed here contain new or revised language.)

Podiatrist Manual

Pages vi, 4-13, 4-14, E-1, and E-2

OBSOLETE MATERIAL

(The pages listed here are no longer in effect.)

Podiatrist Manual

Page vi — transmitted by Transmittal Letter POD-48

Pages 4-13, 4-14, E-1, and E-2 — transmitted by Transmittal Letter POD-50

6. Service Codes and Descriptions

(8) Drugs for Sexual Dysfunction. The MassHealth agency does not pay for drugs when used for the treatment of male or female sexual dysfunction.

(C) Service Limitations.

(1) MassHealth covers drugs that are not explicitly excluded under 130 CMR 424.419(B). The limitations and exclusions in 130 CMR 424.419(B)(1) through (5) do not apply to medically necessary drug therapy for MassHealth Standard enrollees under age 21. The MassHealth Drug List specifies the drugs that are payable under MassHealth. Any drug that does not appear on the MassHealth Drug List requires prior authorization, as set forth in 130 CMR 424.000. The MassHealth Drug List can be viewed online at www.mass.gov/druglist, and copies may be obtained upon request. The MassHealth agency will evaluate the prior-authorization status of drugs on an ongoing basis, and update the MassHealth Drug List accordingly. See 130 CMR 450.303.

(2) The MassHealth agency does not pay for the following types of drugs or drug therapy without prior authorization:

(a) immunizing biologicals and tubercular (TB) drugs that are available free of charge through local boards of public health or through the Massachusetts Department of Public Health (DPH);

(b) nongeneric multiple-source drugs; and

(c) drugs related to sex-reassignment surgery, specifically including but not limited to, presurgery and postsurgery hormone therapy. The MassHealth agency, however, will continue to pay for post sex-reassignment surgery hormone therapy for which it had been paying immediately prior to May 15, 1993.

(3) The MassHealth agency does not pay any additional fees for dispensing drugs in a unit-dose distribution system.

(4) The MassHealth agency does not pay for any drug prescribed for other than the FDA-approved indications as listed in the package insert, except as the MassHealth agency determines to be consistent with current medical evidence.

(5) The MassHealth agency does not pay for any drugs that are provided as a component of a more comprehensive service for which a single rate of pay is established in accordance with 130 CMR 450.307.

424.420: Pharmacy Services: Insurance Coverage

(A) Managed Care Organizations. The MassHealth agency does not pay pharmacy claims for services to MassHealth members enrolled in a MassHealth managed care organization (MCO) that provides pharmacy coverage through a pharmacy network or otherwise, except for family planning pharmacy services provided by a non-network provider to a MassHealth Standard MCO enrollee (where such provider otherwise meets all prerequisites for payment for such services). A pharmacy that does not participate in the MassHealth member's MCO must instruct the MassHealth member to take his or her prescription to a pharmacy that does participate in such MCO. To determine whether the MassHealth member belongs to an MCO, pharmacies must verify member eligibility and scope of services through POPS before providing service in accordance with 130 CMR 450.107 and 450.117.

(B) Other Health Insurance. When the member's primary carrier has a preferred drug list, the prescriber must follow the rules of the primary carrier first. The provider may bill the MassHealth

agency for the primary insurer's member copayment for the primary carrier's preferred drug without regard to whether the MassHealth agency generally requires prior authorization, except in cases where the drug is subject to a pharmacy service limitation pursuant to 130 CMR 424.419(C)(2)(a) and (c). In such cases, the prescriber must obtain prior authorization from the MassHealth agency in order for the pharmacy to bill the MassHealth agency for the primary insurer's member copayment. For additional information about third party liability, see 130 CMR 450.101 et seq.

(C) Medicare Part D. Except as otherwise required in 130 CMR 406.414(C)(2) and (3), for MassHealth members who have Medicare, the MassHealth agency does not pay for any Medicare Part D drugs, or for any cost-sharing obligations (including premiums, copayments, and deductibles) for Medicare Part D drugs, whether or not the member has actually enrolled in a Medicare Part D drug plan. Medications excluded from the Medicare Part D drug program continue to be covered for MassHealth members eligible for Medicare, if they are MassHealth-covered medications.

424.421: Pharmacy Services: Prior Authorization

(A) Prescribers must obtain prior authorization from the MassHealth agency for drugs identified by the MassHealth agency in accordance with 130 CMR 450.303. If the limitations on covered drugs specified in 130 CMR 424.418 and 424.419(A) and (C) would result in inadequate treatment for a diagnosed medical condition, the prescriber may submit a written request, including written documentation of medical necessity, to the MassHealth agency for prior authorization for an otherwise noncovered drug.

(B) All prior-authorization requests must be submitted in accordance with the instructions for requesting prior authorization in Subchapter 5 of the *Podiatrist Manual*. If the MassHealth agency approves the request, it will notify both the podiatrist and the member.

(C) The MassHealth agency will authorize at least a 72-hour emergency supply of a prescription drug to the extent required by federal law. (See 42 U.S.C. 1396r-8(d)(5).) The MassHealth agency acts on requests for prior authorization for a prescribed drug within a time period consistent with federal regulations.

(D) Prior authorization does not waive any other prerequisites to payment such as, but not limited to, member eligibility or requirements of other health insurers.

(E) The MassHealth Drug List specifies the drugs that are payable under MassHealth. Any drug that does not appear on the MassHealth Drug List requires prior authorization, as set forth in 130 CMR 424.417 through 424.421. The MassHealth agency will evaluate the prior-authorization status of drugs on an ongoing basis, and update the MassHealth Drug List.

424.422: Pharmacy Services: Member Copayments

The MassHealth agency requires under certain conditions that members make a copayment to the dispensing pharmacy for each original prescription and for each refill for all drugs (whether legend or nonlegend) covered by MassHealth. The copayment requirements are detailed in 130 CMR 450.130.

Information Required for Admission Screening

The following is a list of information the admitting provider or designee must give the MassHealth Utilization Management contractor when proposing an elective admission. MassHealth may request additional information at any time to clarify the details of any admission. See 130 CMR 450.208 for regulations about admission screening.

- the member's name and address
- the member's sex
- the member's date of birth
- the member's MassHealth identification number
- the guardian's name and address, if applicable
- if applicable, the name of the member's primary care clinician (PCC) and one of the following:*
  - the telephone number of the PCC
  - the provider number of the PCC
  - the address of the PCC
- if applicable, whether the PCC has been notified of the proposed admission
- other health-insurance information
- whether the member is being treated as a result of an accident, and if available, the date and type of accident
- the expected or actual dates of admission and expected discharge date
- the name and provider number of the attending physician
- the name of the hospital
- the primary and secondary diagnoses
- the primary and secondary procedures, if applicable
- the ICD-9-CM codes for both the diagnoses and procedures, if available
- CPT codes for procedures when the facility is out of state
- clinical information that supports the medical necessity of the proposed admission and/or procedure
- other pertinent information the admitting provider has considered in deciding to admit the member

***** Information about the member's PCC is not required if the admission is for dental, oral-surgery, family-planning, or abortion services.

Please Note: Admission screening does not satisfy the need to obtain prior authorization (PA) for services that require PA. See 130 CMR 450.303, 424.000, and Subchapter 6 of the *Podiatrist Manual* to determine what services require PA. See Subchapter 5 of the *Podiatrist Manual* for instructions for requesting PA.

Contact for Utilization Management Program

Contact information for the MassHealth Utilization Management Program contractor is given below. (See 130 CMR 450.207 through 450.209 for the Utilization Management Program regulations.)

MassPRO, Inc.
235 Wyman Street
Waltham, MA 02451-1231

Telephone: 1-800-732-7337
Fax: 1-800-752-6334

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- the member's sex
- the member's date of birth
- the member's MassHealth identification number
- the guardian's name and address, if applicable
- if applicable, the name of the member's primary care clinician (PCC) and one of the following:*
  - the telephone number of the PCC
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- if applicable, whether the PCC has been notified of the proposed admission
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