



**STATE OF TENNESSEE  
BUREAU OF TENNCARE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
729 CHURCH STREET  
NASHVILLE, TENNESSEE**

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This notice is to advise you of important changes that will impact the Point-of-Sale (POS) system used for processing pharmacy claims for the *TennCare Program*. On March 8, 2005, **First Health Services Corporation** will begin to implement the first phase of a number of edits to be put in place by the end of 2005. Information describing these six (6) edits was sent to you during the week of February 7, 2005 with your remittance advice and includes a reminder that the Unit of Measure field (NCPDP #600-28) is required for all claim transactions. Please note that the Unit of Measure edit will require changes to your software. We ask that you **contact your software vendor immediately** in order to ensure that you will be able to submit your claims without interruption.

**Important Information regarding the use of Grier Override Codes with these edits:**

1. Grier Override code "7": The Grier Override code "7" will only be accepted for two situations: (1) claims in which a C-II medication is dispensed; (2) refills of non-PDL medications for recipients coded as long term care by TennCare. This override code will no longer be allowed for "medically necessary" claims where the prescriber does not wish to use a PDL medication. This code will still be submitted in the SUBMISSION CLARIFICATION CODE field (NCPDP #420-DK). Long term care providers are reminded to contact prescribers to switch to preferred products when appropriate, or have the prescribing physician apply for a medically justified Prior Authorization. The use of the Grier Override code '7' will be closely monitored.
2. Grier Override code "8": The Grier Override code "8" will be accepted for a three (3) day supply of a non-PDL medication in which the provider attempts to contact the prescriber and cannot reach the prescriber, or in a situation when a prescriber is unwilling to switch to a preferred product. As long as the prescriber continues to request the non-PDL medication, an "8" will have to be used for the start of each fill of the prescription. A claim will not adjudicate if the Grier Override code "8" is used consecutively. This code will still be submitted in the PRIOR AUTHORIZATION TYPE CODE field (NCPDP #461-EU).
3. Grier Override code "1": The Grier Override code "1" will be accepted for the remaining supply of the original prescription, up to a 28 days supply (32 for LTC providers), in which the prescriber has still not been contacted or has been contacted and refuses to change the medication to one on the PDL. As long as the prescriber continues to use the non-PDL medication, a "1" will have to be used after the three day supply has been given for each

fill of the prescription. This code will still be submitted in the PRIOR AUTHORIZATION TYPE CODE field (NCPDP #461-EU).

**Example Transaction:** A patient comes into a retail pharmacy with a prescription for a non-preferred, non-schedule II medication. The pharmacist contacts the prescriber and leaves a message regarding the patient, non-preferred medication and a preferred alternative. The pharmacist enters an “8” in the Prior Authorization field (NCPDP #461-EU) and processes the claim for a three (3) day supply of medication. At this time, no copay is charged to the patient and the pharmacist receives a dispensing fee. Three days later, the patient returns for the remainder of the prescription. By this time, the prescriber has not returned the pharmacist’s phone call, has returned the call without accepting the change in medication to a preferred agent, or has received a medically justified prior authorization for the medication. The pharmacist processes the remainder of the original prescription for the month and enters a “1” in the Prior Authorization field. If the patient has a copay, the copay is collected and the pharmacist receives a dispensing fee. **This process will continue each month unless the medication is changed to a preferred agent or a medically justified prior authorization is obtained.** The Grier Override code “7” will not be accepted on future claims as it was previously was. The Grier Override code “1” will only be accepted after the use of the Grier Override code “8” has been used for a three (3) day supply.

#### **Provider Education Conference Calls**

Two provider Conference Calls have been scheduled on February 24 and March 1, 2005 to address any questions regarding the pharmacy edits. The format of these sessions will be Question and Answer. Please note the following Conference Call options, with dates and times:

- **Thursday, February 24:**  
9:00 a.m. to 11:00 a.m. CST (10:00 a.m. to 12:00 p.m. EST)
- **Tuesday, March 1:**  
1:00 p.m. to 3:00 p.m. CST (2:00 p.m. to 4:00 p.m. EST)

Dial-in information for the conference calls:

1. Conference Call toll-free access number: 800-824-7254
2. Guest Room number: 146208. You will be prompted to enter the guest room number.

Again, please **contact your software vendor immediately** in order to ensure that you will be able to submit your claims utilizing the Unit of Measure field (NCPDP #600-28) without interruption.

If you have any questions, please contact the First Health Services Corporation Provider Relations Department at (804) 965-7619. For additional information or updated payer specifications, please visit our website at: [www.firsthealth.com](http://www.firsthealth.com).