



STATE OF TENNESSEE
BUREAU of TENNCARE
729 Church Street
NASHVILLE, TENNESSEE 37247-6501

MEMORANDUM

TO: TennCare Pharmacists

FROM: J.D. Hickey, TennCare Director

DATE: March 22, 2005

RE: IMPORTANT MESSAGE ABOUT PHARMACY CLAIMS:

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. Changes are being made to provide better oversight and monitoring of possible drug interactions, over-utilization by enrollees, and attempting to curtail fraud and abuse.

PLEASE NOTE THAT THESE CHANGES DO NOT AFFECT GRIER OBLIGATIONS.

- YOU MUST CONTINUE TO GIVE A THREE DAY SUPPLY, IF APPROPRIATE.
- YOU MUST CONTINUE TO USE THE DRUGSTORE NOTICE FORM

Effective 3/11/05, the Therapeutic Duplication edit and the Drug Dosage edit have been changed to a pharmacy soft message only. At this time the current hard edits for Step Therapy and Dose Optimization are still in effect. **Grier Obligations do apply to these edits.**

DO NOT turn the recipient away from your pharmacy without a 3 -day supply, unless:

- The medication is classified by the FDA as less than effective (i.e., a DESI, LTE or IRS drug); or
- The medication is a drug in a non-covered TennCare therapeutic category (e.g., appetite suppressants, drugs to treat infertility); or
- Use of the medication has been determined to be medically contraindicated because of the patient's medical condition or possible adverse drug interaction

Your Grier obligations apply to any claims denied at POS for the following Error Codes;

- NCPDP 75 – Prior Authorization Required (non-PDL claims and Step Therapy medications)
- NCPDP 76 – Plan Limitations Exceeded (quantity limits and dose optimization)
- NCPDP 88 – DUR Reject Error – TD – Therapeutic Duplication
- NCPDP 88 – DUR Reject Error – HD – High Dose
- NCPDP 88 – DUR Reject Error – SX – Drug Gender

The implementation of these edits, including reinstatement of hard edits for therapeutic duplication and drug dose, will occur over three phases during March and April. Please note that a schedule and detailed list of the specific drugs or drug classes that will be affected by each phase is posted on the First Health website at www.firsthealth.com

If you attempt to process a prescription and encounter any of the messages identified on page one (NCPDP Codes 75, 76, 88-TD, 88-HD or 88-SX), and you feel like you have sufficient clinical information to resolve the conflict you may contact the First Health Clinical call center (866-434-5524) to receive an override for the prescription(s). If you do not feel like you have sufficient information to resolve the conflict, please contact the prescriber and ask him/her to contact the First Health Clinical call center to get an override.

If you do not feel that you have sufficient clinical information to provide to the call center to resolve the override, or cannot reach the prescriber, you must use the following Grier override codes to process a 3-day supply, or a complete prescription if the medication is a C-II narcotic, or if the recipient is coded as long term care by TennCare.

IMPORTANT INFORMATION REGARDING THE USE OF GRIER OVERRIDE CODES WITH THESE EDITS

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) claims for recipients coded as long term care by TennCare.

With the exception of the situations noted above, this override code will no longer be allowed for a full month supply of medication where the prescriber does not wish to alter the prescribed treatment regimen. This code formerly allowed the pharmacist to dispense the prescription as written in the absence of the prescriber obtaining prior authorization or in situations where the prescriber could not be contacted. In the appropriate situations, as described above, this code will still be submitted in the SUBMISSION CLARIFICATION CODE field (NCPDP #420-DK).

GRIER OVERRIDE CODE "8"

When you need to dispense a three day supply under Grier, the Grier Override code "8" will be accepted for a three (3) day supply of a medication which is encountering one of the previously identified edits, in which the provider attempts to contact the prescriber and cannot reach the prescriber, or in a situation when a prescriber is unwilling to adjust the treatment regimen.

As long as the prescriber continues to prescribe this treatment regimen without receiving prior authorization an "8" will have to be used for each fill or refill 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 (NCP DP #461-EU).

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 adjust the treatment regimen, 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:

An ambulatory patient comes into the pharmacy with a prescription for a non -schedule II medication. Upon electronic submission of the claim, it is denied with one of the denial codes listed on page one(NCPDP Codes 75, 76, 88-TD, 88-HD, or 88-SX)

1. The pharmacist contacts the prescriber and leaves a message regarding the patient 's treatment regimen.
2. 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.
3. 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 adjusting the treatment regimen or has received a medically justified prior authorization for the regimen. The pharmacist processes the remainder of the original prescription for the month and enters a "1" in the Prior Authorization field.
4. 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 treatment regimen is adjusted or a medically justified prior authorization is obtained.

NOTE: The Grier Override code "7" will not be accepted on future claims as it has previously been allowed. 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.

If you have any questions, please contact the First Health Services Corporation Clinical call center at (866) 434-5524. For additional information or updated payer specifications, please visit the First Health web site at: www.firsthealth.com under "Providers", then "Documents".

IMPORTANT REMINDER: YOU MUST CONTINUE TO USE THE DRUGSTORE NOTICE FORM. Should you need additional copies of these forms, please call 888-816-1680. You may also request additional copies of this form via fax request at 888-298-4130.