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UPDATE: Long-Term Care Pharmacies New Patient and Leave of Absence

Effective November 30, 2023, the NY Medicaid Program will no longer accept the 'NP 02' override to bypass early fill editing. The NY Medicaid Program will ensure correct use of the override for long term care (LTC) pharmacies dispensing early fills for residents of NY Medicaid enrolled facilities, as per this article and the article, *Clarification for Long-Term Care Pharmacies New Patient and Leave of Absence*, in the February 2023 *Medicaid Update*, located at: https://www.health.ny.gov/health_care/medicaid/program/update/2023/docs/mu_no5_feb23_pr.pdf. The exceptions and billing guidance regarding early fill edits for newly admitted New York State (NYS) Medicaid members to NY Medicaid enrolled LTC facilities who were admitted without supply of recently dispensed medications or for those residents who need a supply for a leave of absence where other options are not available is outlined in this article and in the above linked article. This guidance supersedes the guidance found in the *New Medicaid FFS Pharmacy Early Fill Edit* article published in the January 2015 issue of the *Medicaid Update*, located at: https://www.health.ny.gov/health_care/medicaid/program/update/2015/jan15_mu.pdf, and the *Update on Policy for Medicaid Fee-for-Service (FFS) Pharmacy Early Fill Edit* article published in the March 2015 issue of the *Medicaid Update*, located at: https://www.health.ny.gov/health_care/medicaid/program/update/2015/mar15_mu.pdf.

Reminder, the LTC pharmacy's utilization of early fill overrides is limited to:

- a *new* resident in a Medicaid enrolled facility,
- a readmitted resident in a Medicaid enrolled facility for which there is no supply on-hand, or
- a NYS Medicaid member with a short leave of absence from the Medicaid enrolled facility.

New Patient*

LTC pharmacies dispensing to NYS Medicaid members who were newly admitted without their medications may override the "Early Fill Overuse" "01642" or "02242" edits by using a combination of Reason for Service Code (439-E4) "NP" (New Patient Processing) and Submission Clarification Code (420-DK) "18" (LTC Patient Admit/Readmit Indicator) in the National Council for Prescription Drug Programs (NCPDP) claim when medically necessary and *when all the following conditions are met*:

- the dispensing pharmacy is a LTC servicing pharmacy; **and**
- the NYS Medicaid member was recently admitted to a Private Skilled Nursing Facility, Public Skilled Nursing Facility, Private Health Related Facility, or Public Health Related Facility, when "NH" returns on eligibility response; **and**
- the claim edited for "Early Fill Overuse" edits "01642" or "02242" represents the **first** dispensing of a medication **after the recent admittance** of the NYS Medicaid member to the LTC facility (as described above).

*Applies to readmitted resident LTC pharmacy claims when the facility confirms there is no medication on hand.

Please note: The pharmacy must maintain documentation retrievable upon audit of the use of the override, including but not limited to, the date of recent admission and the request of the facility stating the member was admitted or readmitted without supply for their resident member. Day supply will be limited up to 30 days unless the medication is subject to short-cycle billing as described in the *Expansion of Guidance for Long-Term Care Pharmacy Providers on Short Cycle Billing of Pharmacy Claims* article published in the November 2021 issue of the *Medicaid Update*, located at: https://www.health.ny.gov/health_care/medicaid/program/update/2021/docs/mu_no13_nov21_pr.pdf. If all three conditions are not met, the billing provider may call the NYS Department of Health (DOH) for assistance.

The New Patient Processing/LTC Patient Admit/Readmit override may **not** be used when:

- the pharmacy is **not** an LTC-servicing pharmacy; **or**
- NYS Medicaid member is **not** a resident of a Private Skilled Nursing Facility, Public Skilled Nursing Facility, Private Health Related Facility, or Public Health Related Facility, when "**NH**" **does not** return on eligibility response; **or**
- the NYS Medicaid member is **not** a **new** resident to the facility; **or**
- the claim is **not** the first fill of the prescription for the same drug, strength, and directions dispensed by the LTC pharmacy.

Leave of Absence

LTC pharmacies may accommodate a LTC facility request for medication supply for a NYS Medicaid member leaving for a short absence using one of the following options:

- LTC pharmacy relabeling and repackaging dispensed medications for member use during their leave; **or**
- LTC facility covers the cost for the additional supply of medication needed for the leave of absence; **or**
- LTC facility prepares for the absence by ensuring the medication supply is filled for a shorter supply before the expected absence.

If the above options are not available, a LTC pharmacy may use a combination of Reason for Service Code (439-E4) "AD" (Additional Drug Needed) and a Submission Clarification Code (420-DK) of "14" (LTC Leave of Absence) in the NCPDP claim to override the "Early Fill Overuse" edit **when all the following conditions are met:**

- the dispensing pharmacy is a LTC servicing pharmacy; **and**
- the NYS Medicaid member is a current resident of a Private Skilled Nursing Facility, Public Skilled Nursing Facility, Private Health Related Facility, or Public Health Related Facility, when "**NH**" returns on eligibility response; **and**
- the claim rejected/edited for "Early Fill Overuse" edits "**01642**" or "**02242**"; **and**
- the claim is limited to a seven-day maximum dispensed supply.

Please note: When using the LTC Leave of Absence override, it is expected that the next regular fill date for the NYS Medicaid member will be later to account for the extra supply the NYS Medicaid member received for the leave. The pharmacy must maintain documentation retrievable upon audit of the use of the override, including but not limited to, the request of the facility for leave of absence supply for their resident member. **LTC pharmacies** may contact the NYS DOH for assistance when the above options are not available, and all conditions shown above are not met.

Community pharmacies should continue to contact the NYS DOH for assistance with “Early Fill Overuse” editing for NYS Medicaid members recently discharged from a LTC facility without their medication.

The use of the above override codes will continue to be monitored by the NYS DOH.

All provider submitted claims must be true, accurate, medically necessary, and comply with the rules, regulations, and official directives of the NYS DOH as detailed in Title 18 New York Codes, Rules and Regulations (NYCRR) §504.3(e), (h), and (i), located at: <https://regs.health.ny.gov/content/section-5043-duties-provider>. Unauthorized use of any override may result in audit and recovery of payment.

Reminder: When there are discontinued medications, missed doses, patient transfers or patient discharges in LTC facilities, the “**NH**” will have “unused” medications on hand. These “unused” medications should be returned to the dispensing/vendor pharmacy for credit to the NYS Medicaid program as regulated by Title 10 NYCRR §415.18 (f), located at: <https://regs.health.ny.gov/content/section-41518-pharmacy-services>, and NYS Public Health Law (PHL) §2803-e, located at: <https://www.nysenate.gov/legislation/laws/PBH/2803-E>, *in a timely manner*. **Medications already dispensed should be provided whenever possible to the discharged or transferred NYS Medicaid member to minimize waste and to avoid next fill billing issues.** LTC facilities and their pharmacies are encouraged to review their protocols to ensure any waste is at a minimized and all legal and regulatory requirements are met.

Questions and Additional Information:

- For assistance with performing a permitted override, contact the eMedNY Call Center at (800) 343-9000.
- Questions regarding this policy, exceptions, or considerations, as stated above, should be directed to the NYS Medicaid Pharmacy Unit by email at (518) 486-3209 or by telephone at NYRx@health.ny.gov.
