Pharmacy

Important Clarification to October 2011 Medicaid Update Article for Pharmacies

In this Newsletter:

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Secondary Claims Cannot be Billed to Medicaid Before the Primary Payer's Remittance is Received

A recent analysis of secondary claims submitted to New York State Medicaid has identified a common practice that violates both Medicaid billing guidelines and national billing standards developed by X12.

The practice involves the submission of secondary claims with payment and adjustment amounts reported as if they had been received in a remittance advice from a Coordination of Benefits (COB) payer, but in actuality are based on anticipated adjudication results.

Providers who submit secondary claims to Medicaid prior to receiving remittance advice from their primary payer must discontinue the practice immediately. Unless a COB claim is being submitted under the Cost Avoidance policy (aka 0FILL), it must be submitted with actual prior payer's adjudication information, including the prior payer's adjudication date. Providers who do not adhere to this requirement may be subject to future audits and corrective action.

An exception exists for pharmacy claims: Pharmacy claim submitters can use information from the NCPDP response and do not have to wait for the remittance advice. However, it is expected that a Rebill transaction (adjustment) will be submitted if the prior payer subsequently provides different adjudication information in the remittance advice.