

**Health Services  
Office of Medical Assistance Programs**

 Rick Howard, Manager  
 OMAP Health Financing Operations Section

**Number:** OMAP IM-05-023  
**Issue Date:** 03/14/2005

Authorized Signature
**Topic:** Medical Benefits

**Subject:** Provider notices: LTC pharmacy & HIPAA Bulletin No. 1

**Applies to (check all that apply):**

- |  |   |
|--|---|
| <input type="checkbox"/> All DHS employees             | <input type="checkbox"/> County Mental Health Directors   |
| <input type="checkbox"/> Area Agencies on Aging        | <input type="checkbox"/> Health Services  |
| <input type="checkbox"/> Children, Adults and Families | <input type="checkbox"/> Seniors and People with Disabilities   |
| <input type="checkbox"/> County DD Program Managers    | <input checked="" type="checkbox"/> Other (please specify): DHS staff and others identified on the SPD, CAF, OMHAS and OMAP transmittal lists |

**Message:** OMAP will mail two provider notices this week. (1) We are notifying unit dose pharmacy providers of corrections to the enhanced reimbursement fee when serving LTC clients. (2) We are reminding all Oregon Medicaid providers they need to switch to HIPAA compliant electronic formats soon. The notices are attached.

*If you have any questions about this information, contact:*

**Pharmacy**

<b>Contact(s):</b>	Jesse Anderson, Policy unit manager		
<b>Phone:</b>	503-945-6958	<b>Fax:</b>	503-373-7689
<b>E-mail:</b>	jesse.anderson@state.or.us		

**HIPAA**

<b>Contact(s):</b>	Patricia Krewson, TEDS unit manager		
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# Oregon

Theodore R. Kulongoski, Governor

**Department of Human Services**

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March 14, 2005

To: Pharmacy Providers for  
Long Term Care (LTC) clients

From: Joan M. Kapowich, Manager  
OMAP Program and Policy Unit

Subject: Reimbursement for prescriptions to LTC clients

OMAP discovered an error in enhanced unit dose payments made to enrolled unit dose pharmacies. Enhanced reimbursement fees are for prescriptions dispensed only to specific LTC clients (see supporting rules below.) This error was due to the difficulty of properly identifying LTC clients on the DHS client files. This client identification problem has now been resolved.

Effective April 1, 2005, providers enrolled as unit dose pharmacies will receive the enhanced rates only for prescriptions to clients identified on the DHS files as a LTC client covered under Oregon's community based Medicaid waiver or identified as residing in a nursing facility.

If you believe DHS has not correctly identified a specific client, you may contact the client's caseworker. They will research and correct the information if the client is coded inappropriately.

OAR 410-121-0148 Dispensing in a Nursing Facility or Community Based Care Living Facility

OAR 410-121-0155 Reimbursement

OAR 410-121-0160 Dispensing Fees

Current Pharmacy OARs are posted on the DHS Web site at

<http://www.dhs.state.or.us/policy/healthplan/guides/pharmacy/main.html>

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PN 05-009

## Transactions and codes sets compliance

837 professional, institutional, dental  
835 remittance advice  
270/271 eligibility inquiry and response formats  
276/277 claims inquiry and response formats

OMAP  
HIPAA  
Bulletin

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As many of you are aware, the federal government passed sweeping legislation, the Administrative Simplification Act, that affects the health care industry. Among other things, it provides for privacy and security when transferring health care information by use of transactions and codes sets outlined in the Health Insurance Portability and Accountability Act (HIPAA). The Centers for Medicare and Medicaid Services (CMS) regulate these requirements. The Office of Medical Assistance Programs (OMAP) is an insurance carrier that must abide by HIPAA laws.

This bulletin updates you on OMAP's status in complying with the above-named transactions and codes sets regulations. OMAP has been processing claims for payment in the HIPAA compliant 837 formats since last year.

### Access to our online screens

If you have access to DHS online screens (OLM, OREF, OLGX, etc.), you must be prepared to switch to the HIPAA compliant 270/271 and 276/277 formats by September 30, 2005, in order to receive uninterrupted service. The current screen access will be discontinued by December 31, 2005. Other DHS eligibility verification options are available, such as viewing the client's medical ID, phone- or Web-based AIS, or EEVS vendor services.

**This requirement is not exclusive to electronic claim submitters.  
ALL OREGON MEDICAID PROVIDERS must use this format.**

### Registration and assistance

If you submit claims electronically and have not begun the authorization process, please contact us for instructions or assistance.

- Email: [DHS.HIPAAtesting@state.or.us](mailto:DHS.HIPAAtesting@state.or.us)
- Phone: 503-947-5347
- Web site: [http://www.oregon.gov/DHS/admin/hipaa/testing\\_reg.shtml](http://www.oregon.gov/DHS/admin/hipaa/testing_reg.shtml)