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DMAP Policy and Planning

Authorized Signature

**Number:** DMAP-IM-10-038

**Issue Date:** 04/01/2010

**Topic:** Medical Benefits

**Subject:** Pharmacy announcement: Coordination of Benefits and client copayment errors

**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, AMH and DMAP transmittal lists |

**Message:**

During the week of March 29, DMAP will post the attached announcement to tell pharmacies that, effective immediately, they have up to 12 months (365 days) to reverse a point-of-sale claim vs. the previous 30-day allowance.

Also, because some providers' billing practices are producing errors for DHS and some are inappropriately collecting copayments from clients, the announcement includes reminders about:

- Collection of client copayments
- Coordination of benefits
- Third party resources
- "Payment-in-full"

The announcement includes links to detailed information about the above and reminds them that help is available by calling Provider Services or the Pharmacy Call Center.

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

<b>Contact(s):</b>	Ralph Magrish, DMAP Pharmacy Policy Analyst
<b>Phone:</b>	503-945-6291
<b>E-mail:</b>	<a href="mailto:Ralph.Magrish@state.or.us">Ralph.Magrish@state.or.us</a>

### **Point-of-sale (POS) claim reversals**

Effective immediately, pharmacies have up to 12 months or 365 days (vs. 30 days) from the date of service to submit, resubmit or reverse (cancel) a POS claim.

### **Coordination of benefits (COB), Third Party Liability (TPL) and Other Coverage Codes (OCC)**

The Division of Medical Assistance Programs (DMAP) would like to help with common billing and copayment (copay) errors for OHP clients and their TPL insurances. Based on the majority of errors we see, here are a few reminders: (Also see Oregon Administrative Rule 410-120-1280 at: <http://www.dhs.state.or.us/policy/healthplan/guide/genrules/main.html>).

#### **■ Be sure to bill in the correct order:**

- ✓ Find out if the client has TPL through the POS system and by asking the client. If the client has TPL, you must bill the TPL before billing DMAP. Federal law requires that state Medicaid agencies take all reasonable measures to ensure that in most instances DMAP will be the payer of last resort.
- ✓ If you bill DMAP as secondary payer, always include accurate TPL primary payment information on the DMAP claim.

#### **■ TPL or DMAP fee-for-service copays and what "payment-in-full" is:**

Be careful that you don't collect more reimbursement than is allowed.

- ✓ If any part of a claim is paid by a TPL, you must not charge the client a copay.
- ✓ After you bill the TPL, DMAP will pay the remainder but only up to the DMAP allowed amount. That is considered "payment-in-full." You must not charge the client for the remainder. For more information about payment-in-full, see OAR 410-120-1340: <http://www.dhs.state.or.us/policy/healthplan/guide/genrules/main.html>
- ✓ If the primary claim is denied or a "zero pay" and you bill DMAP as secondary, do not use Other Coverage Codes 5, 6, and 8.
- ✓ For more information about billing DMAP and TPL through POS - See Oregon Administrative Rule 410-120-1280: <http://www.dhs.state.or.us/policy/healthplan/guide/genrules/main.html>

***Note: Intentional misuse of TPL coding is fraudulent and DMAP will recoup all resulting overpayments.***

■ **DMAP client copayments:** If you need information about DMAP fee-for-service copayments:

- ✓ See OAR 410-120-1230 Client Copayment, Table 120-1230-1 at: <http://www.dhs.state.or.us/policy/healthplan/guides/genrules/120rb0110.pdf>
- ✓ Access individual client copay information through your POS system, the [Automated Voice Response](#) system or the [Provider Web Portal](#).
- ✓ Pharmaceutical Services Supplemental Information guide: <http://www.dhs.state.or.us/policy/healthplan/guides/pharmacy/rxsupp0110.pdf>

**Frequently asked questions for copayment information:**

[http://www.oregon.gov/DHS/healthplan/data\\_pubs/faqs/faqprovcopay.shtml](http://www.oregon.gov/DHS/healthplan/data_pubs/faqs/faqprovcopay.shtml)

■ **Other helpful reminders:**

The DMAP web page at: <http://www.dhs.state.or.us/policy/healthplan/guides/pharmacy/billing.html> includes links to:

- Point-of-sale payer sheet (National Council for Prescription Drug Programs) for technical billing of TPL or OCC
- Pharmaceutical Services Supplemental guide at: <http://www.dhs.state.or.us/policy/healthplan/guides/pharmacy/rxsupp0110.pdf> for more information about:
  - ✓ Copayments
  - ✓ TPL table of denials and appropriate use of OCC to override denials
- Medicare Modernization for information about Medicare Part D
- Managed care BIN numbers - See Oregon Medicaid Pharmacy Quick Reference sheet: <http://www.dhs.state.or.us/policy/healthplan/guides/pharmacy/quick-refs0110.pdf>

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## Questions?

If you still have questions about OHP policy, billing practices or claims, contact:

- The Oregon Pharmacy Call Center at 888-202-2126 - available 24 hours a day, seven days per week.
- Provider Services at 800-336-6016 or [dmap.providerservices@state.or.us](mailto:dmap.providerservices@state.or.us) - Monday through Friday, 7 a.m. to 4:30 p.m.



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