

Donald Ross, Manager  
DMAP Policy and Planning Section

Authorized Signature

**Number:** DMAP- IM-10-124

**Issue Date:** 10/08/2010

**Topic:** Medical Benefits

**Subject:** Provider announcement: Effect of new managed care edit on claims from IHS and Tribal-638 pharmacies

**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"/> Seniors and People with Disabilities   |
| <input type="checkbox"/> Children, Adults and Families | <input checked="" type="checkbox"/> Other (please specify): DHS staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists |
| <input type="checkbox"/> County DD Program Managers    |   |

**Message:**

DMAP is sending the following letter to Indian health centers and pharmacies. It clarifies how Tribal-638 and Indian Health Services pharmacies should bill for managed care prescriptions.

- Until recently, these pharmacies did not get denials from DMAP when billing prescriptions to DMAP for clients enrolled in managed care.
- This letter explains why these denials are happening and what pharmacies need to do in order to bill for these prescriptions.

The following communications also provide information about this system change:

- [DMAP IM 10-098](#)
- [DMAP IM 10-106](#)
- [DMAP IM 10-115](#)
- September 2010 [Provider Matters](#)

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

<b>Contact(s):</b>	DMAP Pharmacy Program		
<b>Phone:</b>	503-947-1195	<b>Fax:</b>	503-947-1119
<b>E-mail:</b>	<a href="mailto:dmap.rxquestions@state.or.us">dmap.rxquestions@state.or.us</a>		



# Oregon

Theodore R. Kulongoski, Governor

## Department of Human Services Division of Medical Assistance Programs

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October , 2010

To: All Indian Health Service (IHS) and Tribal-638 clinics and pharmacies

From: Donald Ross, Manager  
DMAP Policy and Planning Section

Subject: Effect of new managed care edit on claims from IHS and Tribal-638 pharmacies



Effective October 3, 2010, DMAP implemented a solution to a defect in our claims processing system.

- The defect allowed the system to pay for all medical and pharmacy claims, regardless of provider type, for both documented and undocumented Tribal clients, even if the client was enrolled in a managed care plan.
- The solution now allows the system to pay for these claims only for documented Tribal clients billed by an IHS or Tribal 638 clinic (enrolled with DMAP under Provider Type 28).

### **What this change means for Tribal and IHS pharmacies**

Tribal and IHS pharmacies are enrolled with DMAP under Provider Type 48 (Pharmacy). This means DMAP now denies pharmacy claims for documented Tribal clients enrolled in a managed care plan (except for “carveout” drug claims covered by DMAP for all clients on a fee-for-service basis). When these claims deny, Tribal and IHS pharmacies will be instructed to bill the client’s managed care plan.

When billing prescriptions for managed care clients, please bill the client’s managed care plan as expected. If the plan denies the claim, contact the Oregon Pharmacy Call Center so that you can fill the prescription. We are also ready to help with any questions or concerns you may have about working with this system change.

Thank you for your continued support of the Oregon Health Plan and the services you provide to our clients. We appreciate your patience as we continue to make system improvements.

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## For more information

To learn more about billing managed care, contact the client's managed care plan.

- Plan contact information for normal business hours is posted on the OHP Web site at [www.oregon.gov/DHS/healthplan/managed-care/main.shtml](http://www.oregon.gov/DHS/healthplan/managed-care/main.shtml) (click on "Contact information").
- You can also find after-hours telephone numbers for managed care plan Pharmacy Benefit Managers in the Oregon Medicaid Pharmacy Quick Reference posted at [www.dhs.state.or.us/policy/healthplan/guides/pharmacy/main.html](http://www.dhs.state.or.us/policy/healthplan/guides/pharmacy/main.html).

## Questions?

If you have questions about this information, please contact one of the following:

- **Questions about fee-for-service prescriptions** – Call the Oregon Pharmacy Call Center at 1-888-202-2126.
- **Questions about managed care prescriptions** – Call Valerie Smith, Drug File Coordinator for DMAP Pharmacy Program, at (503) 947-1195 or e-mail [valerie.m.smith@state.or.us](mailto:valerie.m.smith@state.or.us).