

Donald Ross, Manager
DMAP Policy and Planning Section

Number: DMAP-IM-12-075

Authorized Signature

Issue Date: 08/16/2012

Topic: Medical Benefits

Subject: **Pharmacy announcements:** Recovery of generic olanzapine overpayments begins Aug. 24

Applies to:

- | | |
|--|---|
| <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 and OHA staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists |
| <input type="checkbox"/> County DD Program Managers | |

Message:

DMAP will mail the following letters to let pharmacies know about upcoming payment recovery activity that begins Aug. 24:

- 112 pharmacies and pharmacy chains will have overpayments recovered in full on Aug. 24 (see page 2 for letter).
- 33 pharmacies will have overpayments recovered in 25 percent increments on Aug. 24, Sep. 21, Oct. 26 and Nov. 23 (see page 4 for letter).

If you have any questions about this information, contact:

Contact(s):	DMAP Pharmacy Program
E-mail:	dmap.rxquestions@state.or.us



Date: August 16, 2012

To: Pharmacy providers

From: DMAP Pharmacy Program

Subject: Payment recovery planned for generic olanzapine overpayments

The weekend of August 24, 2012, the Division of Medical Assistance Programs (DMAP) plans to recover overpayments made from **Nov. 9, 2011**, through **May 15, 2012**, for generic olanzapine prescriptions.

The projected recovery amount listed below is based on claim data available to us as of August 8.

Pharmacy	NPI	Projected Recovery Amount
[Pharmacy Name]	[NPI]	[Amount]

If DMAP makes no payments to you during the August 24 payment cycle, the recoveries will occur in your next payment cycle.

Why is this happening?

We learned that our system was paying more than the allowed amount for generic olanzapine. DMAP will reprocess these claims to pay at the correct rate.

What should you do?

No action is needed on your part. After learning of this error, we corrected the rates to prevent this from happening again.

What you will see on the paper remittance advice

The Claim Adjustments section will list the affected claims by original Internal Claim Number (ICN).

- Each ICN will have an adjustment ICN (beginning with “52”) to indicate recovery activity.
- The “Detail EOBs” will list Explanation of Benefits (EOB) code *EOB 8167 – DHS initiated adjustment due to processing error.*
- The total amount recovered for the claim will be listed as a “Net Overpayment.”

The Financial Transactions section will list the adjustment ICNs, recovery amounts and any outstanding balance with *EOB 8400 - Accounts receivable has been established - The amount will be deducted from your future payments.*

What you will see on the electronic remittance advice or Provider Web Portal

Your electronic remittance advice (ERA) should list these adjustments as overpayment recoveries. The Provider Web Portal will show the adjustment ICN as a denied claim.

In both the ERA and Provider Web Portal, the reason for the recovery will be Adjustment Reason Code 129 - *Prior processing information appears incorrect.*

Thank you for your support

We apologize for any confusion or inconvenience this may cause. Thank you for your continued support of the Oregon Health Plan and the services you provide to Oregon's most vulnerable people.

Questions?

- **About this announcement:** Please contact Rich Holsapple of the Oregon Pharmacy Call Center at 503-383-3389.
- **About provider recovery of overpayments or appeals:** Please see Oregon Administrative Rules 410-120-1397(7), 410-120-1560 and 410-120-1580 in DMAP's General Rules, found at www.dhs.state.or.us/policy/healthplan/guides/genrules/main.html.

Help us improve future announcements:

Answer six survey questions about this provider announcement at <https://survey.emp.state.or.us/cgi-bin/qwebcorporate.dll?idx=J2ESKJ>.



Date: August 16, 2012

To: Pharmacy providers

From: DMAP Pharmacy Program

Subject: Payment recovery planned for generic olanzapine overpayments

Starting August 24, 2012, the Division of Medical Assistance Programs (DMAP) plans to recover overpayments made from **Nov. 9, 2011**, through **May 15, 2012**, for generic olanzapine prescriptions. We will recover the amount in 25 percent increments on August 24, September 21, October 26 and November 23.

The following list shows the pharmacies that will have their claims reprocessed for this recovery activity. The projected recovery amount is based on claim data available to us as of August 8.

Pharmacy	NPI	Projected Recovery Amount
[Pharmacy name]	[NPI]	[Amount]

Why is this happening?

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What should you do?

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