Oklahoma Medicaid Pharmacy Update

Pharmacy Help Desk Telephone Numbers 405-522-6205 option 4 or 1-800-522-0114 option 4
OHCA Website www.okhca.org

For many years, Oklahoma Medicaid regulations have allowed pharmacists to bill Medicaid as the first payer for clients with Medicaid and other public or private medical coverage. A recent revision to the regulations will now require pharmacists to first bill the other payer and bill the remainder to Medicaid. This change assures that Medicaid is the payer of last resort. The change will apply only to adult clients who do not reside in a long term care facility. Children and nursing home residents will be exempt from this requirement.

This change will be implemented in two steps. The first step is for those patients with private third party coverage or Medicare HMO coverage for prescriptions. The second step will include patients with Medicare Part B coverage if the drug submitted is one of the drugs covered by Medicare. The first step will be activated September 15, 2003.

When you send a claim for a patient with private third party or Medicare HMO coverage, you will receive NCPDP reject code 41 along with the name, address, and telephone number of the third party to be billed.

After you submit the claim to the appropriate third party, you may submit the remainder of the claim to Oklahoma Medicaid. For claims that are partially paid, i.e. less than the Medicaid allowable, enter the amount paid by the other payer in the "Other Payer Amount Paid" field. You may need to contact your software vendor to verify the location of this field and other software-specific details. Partially paid claims include claims that result in full payment minus a copayment amount.

For claims that are denied, enter at least one of the NCPDP reject code numbers received from the other payer in the "Reject Code" field and resubmit the claim to Oklahoma Medicaid.

If your pharmacy software does not support Coordination of Benefits (COB), you may submit the claim through the OHCA website. If you have not set up your internet account, please contact the OHCA Help Desk at 405-522-6205 or toll-free statewide at 800-522-0114. Do not call the Pharmacy Help Desk as their staff does not have access to the website.

If you do not have access to the internet, you may submit a paper claim. The Pharmacy Help Desk can fax or mail a paper claim form to you.

If the client has coverage through a closed network HMO of which you are not a member, please direct the patient to seek services from a participating network provider. Retrospective claims reviews will be performed to assess compliance with this requirement.

Oklahoma Medicaid
Billing Procedure for Cost Avoidance – Private Third Party Payer or Medicare HMO

1.   Pharmacy sends claim to EDS and it is rejected with OHCA Edit 2508 and NCPDP Reject Code 41. Reject Code 41 says "Submit Bill to Other Processor or Primary Payer" In the text of the rejection message, the pharmacy also receives the Third Party payer information including name, address and telephone number.

2.   Pharmacy sends claim to Third Party Payer listed in the rejection message from OHCA.

a.   Third Party Payer pays 100% of the Medicaid allowable – Claim may be resubmitted but no payment will result.

b.   Third Party Payer pays less than 100% of the Medicaid allowable – Claim should be resubmitted to EDS

        i.   Enter the paid amount in the "TPL AMOUNT PAID" field of your software or Enter the paid amount in the "TPL AMOUNT PAID" field on the Internet claims screen

        ii.   Send claim to EDS

        iii.   Resulting payment will be Medicaid allowable minus TPL Amount Paid

c.   Third Party Payer REJECTS or DENIES the claim

        i.   Enter up to 9 reject codes in the TPL Reject Reason Code field of your software. Do not use spaces or commas to separate the codes. Or
Enter "Yes" in the Insurance Denied Field on the Internet claims screen

        ii.   Send the claim to EDS

        iii.   Claim will pay Medicaid Allowable.

Thank you for your continued service to Oklahoma's Medicaid clients.