

December 29, 2005

## IOWA MEDICAID ENTERPRISE

Medicaid members who also qualify for **Medicare**, referred to as **dual eligibles**, will have their prescription drugs paid through **Medicare Part D effective January 1, 2006**. Medicaid will not continue the drug coverage it currently provides.

**Dual Eligible Formulary through Iowa Medicaid:** Per State Medicaid Director Letter #05-002 dated June 3, 2005 state Medicaid programs were directed to cover the excluded drugs for full benefit dual eligibles to the same extent they cover these drugs for Medicaid recipients who are not full benefit dual eligibles. ***This means only the excluded classes designated below in Section c. will be covered by Iowa Medicaid, NOT drugs excluded from a particular Medicare Part D prescription plan.***

- a. **Requirements:** All Preferred Drug List (PDL) and Prior Authorization (PA) requirements will be the same for the dual eligibles as for the regular Medicaid population.
- b. **Pharmacy Billing:** Iowa Medicaid will only accept **secondary claims**. Effective January 1, 2006 Medicaid should be listed as the secondary insurance for all dual eligibles. All claims should be submitted to the primary insurance first (Medicare Part D PDP). Listing Medicaid as the primary insurance will result in denial of the claim. Medicaid will always be the payer of last resort. Iowa Medicaid will only accept claims with "other coverage code" equal to 3 for dual eligibles with a Part D program. Iowa Medicaid will **NOT** accept any secondary claims with "other coverage code" equal to 1 or 2 for these Part D eligibles. This does not impact regular Medicaid members and the use of other coverage codes.
- c. **Drug Categories, billed as secondary claims**, that Iowa Medicaid will cover for dual eligible individuals includes:
  - 1). **Barbiturates**
  - 2). **Benzodiazepines**
  - 3). **Cough and Cold Products**
  - 4). **Over-the-Counter Drugs** (see the OTC Drug List, and all Part D excluded Drugs posted at [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com))
  - 5). **Prescription Vitamin and Minerals**, except prenatal vitamins and fluoride preparations
  - 6). **Weight Loss Products**
- d. **Medicare Part B Drugs-** Iowa Medicaid will **NOT** pay for any Medicare Part B drugs such as Oral Immunosuppressant Drugs, Inhalation Drugs When Used with a Nebulizer, Oral Chemotherapy Drugs, Oral Anti-Emetic Drugs, Blood Clotting Factors, or Epoetin. A drug for which coverage is available under Medicare Part A or Part B, as it is being "prescribed and dispensed or administered" with respect to an individual, is excluded from the definition of a Part D drug and therefore cannot be included in Part D basic coverage and must be billed to Medicare Part B.

**Medically Needy:** If a member has Medicare Part D, and Medicare denies the claim, the pharmacy will need to give a receipt to the member to bring to their case worker to determine if it can be applied to their spend-down. All other claim submissions remain the same.

**Medicare Part D Information:** Questions regarding Medicare Part D (Medicare Prescription Drug Plan) can be directed to the following:

### CALL

- 1-800-MEDICARE (633-4273)
- County Senior Health Insurance Information Program (SHIIP) office (See list posted at [www.ime.state.ia.us](http://www.ime.state.ia.us))

### INTERNET

<a href="http://www.medicare.gov">http://www.medicare.gov</a>	Medicare home page
<a href="http://www.medicare.gov/medicarerreform/drugbenefit.asp">http://www.medicare.gov/medicarerreform/drugbenefit.asp</a>	General Part D Information
<a href="http://www.medicare.gov/medicarerreform/map.asp">http://www.medicare.gov/medicarerreform/map.asp</a>	Plan Information

**Medicaid Questions:** Questions regarding Medicaid issues should be directed to:

### CALL

Provider Services	800-338-7909	515-725-1004 (local)
Member Services	800-338-8366	515-725-1003 (local)
Pharmacy PA Help Desk	877-776-1567	515-725-1106 (local)
Pharmacy POS Help Desk	877-463-7671	515-725-1107 (local)