



September 16, 2008

Dear Pharmacist,

Through post-payment auditing, it was discovered that the attached claims for diabetic test strips and/or supplies were billed to Michigan Medicaid/Michigan Department of Community Health (MDCH) as the primary insurer. MDCH is always the payer of last resort. For beneficiaries who have other insurance coverage, pharmacies must bill the other insurance carrier (including Medicare) before billing MDCH. Any payments made by other carriers must be reported to MDCH via the Coordination of Benefits (COB) segment of your pharmacy claim.

In order to correct these payments, the Michigan Department of Community Health is requesting that the attached list of claims are reversed and resubmitted within 60 days of this notice. First Health Services has been directed by the Michigan Department of Community Health (MDCH) to do a systematic reversal for any providers failing to fully address the reprocessing request. Unaddressed claims will be reversed from the First Health Michigan Medicaid system on November 17, 2008. The 835/ RA that you receive on or about November 20, 2008 from First Health/Michigan Medicaid, will show the claim(s) as reversed and the money being returned to MDCH. Please remember the following when resubmitting your claims.

- Only bill Michigan Medicaid for the Medicare Allowed Amount. This amount should be billed in the Gross Amount Due field.
- Claims billed for Medicare deductible need to be resubmit with the Other Coverage Code 4 (OCC= 4) and indicate in the COB segment that Medicare Part B Carrier ID# 444444444 was billed but paid \$0.00 toward the claim.

For timely filing overrides and claim submission questions, please contact Bradley Vaught, Michigan Medicaid Plan Administrator, at 804-965-7706. If you have any questions or concerns in reference this request, please contact Sherrill Bryant, Michigan Contract Manager, at 804-290-4821.

If you wish to contest this debt you have the right to a hearing. To request a hearing, send a letter to the following address:

Administrative Tribunal and Appeals Division
Department of Community Health
1033 S. Washington, Tribunal Building
PO Box 30763
Lansing, MI 48909

Sincerely,
First Health Services