



## Michigan Medicaid Pharmacy Claims Processing

From: First Health Services and Michigan Department of Community Health  
Date: November 29, 2005  
Attention: Pharmacy Providers and Software Vendors  
Subject: **Important Bulletin: Medicare Part D Pharmacy Processing**

Due to the implementation of Medicare Part D, effective January 1, 2006, the Michigan Department of Community Health (MDCH) is making changes to Medicare pharmacy claims processing. These changes are listed below.

### 1. New Other Payer Carrier IDs to identify Medicare Part D Eligibility/Enrollment:

Carrier ID 11111111 = Medicare- Eligible for but not enrolled  
Carrier ID 12121212 = Medicare- Eligible for, not confirmed by CMS  
Carrier ID 22222222 = Medicare- Eligible, not enrolled in Medicare Part D  
Carrier ID 66666666 = Medicare- Enrolled in Medicare Part D

### 2. Drug Coverage for Beneficiaries Eligible for or Enrolled in Medicare:

- **Effective, January 1, 2006**, MDCH will continue to pay for the following excluded Medicare Part D drugs: benzodiazepines, barbiturates, over-the-counter (OTC) drugs listed on the Michigan Pharmaceutical Product List (MPPL), select prescription vitamins/minerals and smoking cessation products. All current MDCH coverage edits will remain in place for these drugs.
- MDCH will not reimburse prescription drug co-pays, co-insurance or deductibles for beneficiaries who are eligible for or enrolled in Medicare Part D.
- All other claims will deny with NCPDP 41 – “Submit claim to other processor or primary payer” along with a supplemental message which will include the Medicare Part D Plan information. For additional information about Medicare Part D Plans, providers can visit the CMS website at <http://www.cms.hhs.gov>, <http://www.cms.hhs.gov/pdps>, or call 1 - 800-MEDICARE.
- The NCPDP 41 for Other Payer Carrier IDs can not be overridden. Coordination of benefits (COB) overrides will **not** be allowed for Part D covered drugs. For Medicare

- Part B COB claims, the Medicare Part B Carrier IDs must be submitted on the claim as the Other Payer ID.
  - **Exception:** For Carrier ID 12121212 and beneficiary is < 65 years old: After confirming beneficiary is not Medicare eligible, providers may call the First Health MAP Call Center at 1-877-864-9014 for an override.

### 3. New Other Payer Carrier IDs Identify Medicare Part B Eligibility/Enrollment:

Carrier ID 11111111 = Medicare- Eligible for but not enrolled  
 Carrier ID 12121212 = Medicare- Eligible for, not confirmed by CMS  
 Carrier ID 44444444 = Medicare- Enrolled in Part B  
 Carrier ID 55555555 = Medicare- Enrolled in Medicare Advantage Plan

### 4. Medicare Part B Processing Changes:

- **Effective, January 1, 2006,** Medicare Part B drugs will also deny with NCPDP 41- “Submit claim to other processor or primary payer” along with a supplemental message “Bill Medicare Part B” (currently the denial is set as NCPDP 70 – NDC Not Covered).
- After the payment is received from Medicare Part B, MDCH will continue to pay the co-insurance up to MDCH’s allowable amount. Providers should contact First Health MAP Call Center at 1-877-864-9014 **and** use Other Coverage Code = 2 along with the following NCPDP data elements on the claim to receive MDCH payment:
- **Exception:** For Carrier ID 12121212 and recipient is < 65 years old: After confirming beneficiary is not Medicare eligible, providers may call the First Health MAP Call Center at 1-877-864-9014 for an override.

| COB SEGMENT |   | <i>Segment REQUIRED for these transactions: B1 and B3 if there is OTHER PAYER information.</i> |   |
|-------------|---|--|---|
| Field       | Field Name                                    | Mandatory Situational  | MICHIGAN MEDICAID VALUES                              |
| 111-AM      | SEGMENT IDENTIFICATION                        | M  | Ø5 = Coordination of Benefits/ Other Payments Segment |
| 337-4C      | COORDINATION OF BENEFITS/OTHER PAYMENTS COUNT | M<br>Max = 3   |   |
| 338-5C      | OTHER PAYER COVERAGE TYPE                     | M***R***<br>Max = 3  | 01 - Primary  |
| 339-6C      | OTHER PAYER ID QUALIFIER                      | S***R***<br>Max = 3  | 99 - Other  |
| 340-7C      | OTHER PAYER ID                                | S***R***<br>Max = 3  | 8-digit Carrier ID                                    |
| 443-E8      | OTHER PAYER DATE                              | R***R***<br>Max = 3  | Required for this program.                            |
| 341-HB      | OTHER PAYER AMOUNT PAID COUNT                 | RW   | Required when submitting Other Payer Amount Paid.     |
| 342-HC      | OTHER PAYER AMOUNT PAID QUALIFIER             | RW***R***<br>Max = 3   | 08 – Sum of All Reimbursement                         |
| 431-DV      | OTHER PAYER AMOUNT PAID                       | RW***R***<br>Max = 3   | Required for this program.                            |

Providers should contact their software vendors to prepare for the upcoming changes. The latest information regarding claim processing changes will be posted to the First Health/Michigan Department of Community Health website, <http://michigan.fhsc.com>. We're hoping that a new Pharmacy Claims Processing Manual will be available on the website for download and printing prior to January 1, 2006.

If there are any questions regarding this bulletin, please contact First Health's Technical Call Center at 1-877-624-5204.