

PHARMACY FACTS

Program Updates from Louisiana Medicaid

June 21, 2018

Cost of Dispensing (COD) Survey

The Department would like to thank all of the pharmacies that participated in the COD Survey. There were 872 responses submitted. Mercer will complete data validation and desk reviews, then the statisticians will calculate the fees. A complete report will be submitted to the Louisiana Department of Health (LDH) by the end of July. LDH will share the final report with stakeholders in August.

Notice of Outstanding Debt and Recovery Efforts

Medicaid Program Integrity (PI) has identified approximately \$23 million in claims-related overpayments, including some pharmacy claims, that Medicaid must make a good faith effort to collect. The dates of service span over 20 years. The common cause for overpayments is claims that have been adjusted or were voided after being paid. LDH collects overpayments by offsetting future submitted claims. However, collection is not possible if providers no longer bill Medicaid fee for service (FFS) under the affected provider number. Common reasons for this happening include movement to billing managed care or a pharmacy provider change of ownership (CHOW), which leads to a new provider number and the old number being closed. Molina now requires a provider to resolve debt before they accept a CHOW application.

As part of Medicaid's good faith effort, 479 letters have been mailed to pharmacies with claims related overpayments. They include:

- Date of service range from calendar year 2000 to the present
- Median negative balance of \$158.13

Each pharmacy affected will receive a letter and a remittance advice (RA) explaining any adjustment. PI is only looking at negative balances with a supporting RA that are available online from 2000 to the present. PI has a dedicated phone number and email address for questions regarding this issue.

Contact info: LDH Medicaid Program Integrity Section: 1-225-219-2575 or via email PI.ARC@la.gov

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Single Preferred Drug List Development

The final report from Milliman and Change Healthcare is now being reviewed by Mercer (LDH actuaries), Magellan (LDH supplemental rebate contractor), and the Managed Care Organizations (MCOs). The rulemaking process will begin shortly with a Medicaid notice of intent (NOI) to be published in the Louisiana Register in August 2018. As stated in previous Pharmacy Facts editions, the Department is pursuing the Single PDL as a means of improving the experience of Medicaid recipients, pharmacists and prescribing providers who interact with the Medicaid pharmacy program. Specifically, we aim to overcome the practical challenges faced today with the six different Medicaid drug lists.

We appreciate your interest in this development and will continue to provide updates on it through *Pharmacy Facts*: www.ldh.la.gov/pharmacyfacts.