Medi-Cal Rx

Coming Soon: Changes to Medicare Part D COB Process

May 5, 2026

Background

As previously announced in the alert titled *Upcoming Changes to Medi-Cal Rx*, and pursuant to Assembly Bill 116 (the Health Omnibus Trailer Bill) for the enacted 2025-26 State Budget, Medi-Cal Rx is implementing changes to the Medicare coordination of benefits (COB) claims process to ensure appropriate billing for dual-eligible beneficiaries.

What Pharmacy Providers Need to Know

Effective May 29, 2026, Medi-Cal Rx will implement the following changes to the COB process for Medicare claims:

- Medi-Cal Rx will no longer allow Other Coverage Code (OCC) equals 3 – Other Coverage Exists Claim Not Covered when Medicare Part D has denied the claim with **Reject Code A5 – Not Covered Under Part D Law** or **Reject Code 65 – Patient Is Not Covered**.
  - If a claim is submitted with OCC equals 3, the claim will deny with **Reject Code 13 – M/I Other Coverage Code** with the supplemental message *"Member is Medicare Part D eligible. Submit claim to member's Medicare Plan. Part D copays and deductibles are not covered."*
- At a future date to be announced, Medi-Cal Rx will require a Benefit Stage Qualifier (BSQ) value in NCPDP Field 393-MV on all Medicare COB claims. In preparation for this change, Medicare COB claims will receive the new supplemental message "*Benefit Stage Qualifier value not submitted. Coming soon! BSQ value (NCPDP Field # 393-MV) will be required on all Medicare COB claims."*
  - Once implemented, Medi-Cal Rx will deny Medicare COB claims if a BSQ value is not submitted.
  - Medi-Cal Rx will notify providers separately when this policy becomes effective.

What Pharmacy Providers Need to Do

- Pharmacy providers should be aware of the changes and update internal billing procedures to ensure compliance with new Medicare COB processes.
- If beneficiaries have questions or concerns regarding Medicare eligibility and drug/product coverage, refer them to their Medicare plan.

Contact Information

You can call the Medi-Cal Rx Customer Service Center (CSC) at 1-800-977-2273, which is available 24 hours a day, 7 days a week, 365 days per year.

For other questions, email Medi-Cal Rx Education & Outreach at MediCalRxEducationOutreach@primetherapeutics.com.