



Medi-Cal Rx Monthly Bulletin

August 1, 2022

The monthly bulletin consists of alerts and notices posted to the [Bulletins & News](#) page on the [Medi-Cal Rx Web Portal](#). Sign up for the [Medi-Cal Rx Subscription Service](#) to be notified when new information is posted.

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1. Changes to the Contract Drugs List (CDL)

The below changes have been made to the Contract Drugs List, effective August 1, 2022.

For more information, see the [Contract Drugs List](#) on the Medi-Cal Rx Web Portal.

Drug Name	Description	Effective Date
Albendazole	Added to CDL.	August 1, 2022
Amlodipine Benzoate	Added to CDL with a restriction.	August 1, 2022
Betamethasone DP	Added to CDL.	August 1, 2022
Betaxolol HCL	Labeler restriction (00065) removed from ophthalmic drops.	August 1, 2022
Budesonide	Removed age restriction.	August 1, 2022
Calcitriol	Additional formulation (oral solution) added.	August 1, 2022
Carvedilol Phosphate	Removed labeler code restriction (00007).	August 1, 2022
Ciprofloxacin	Removed labeler code restrictions (00085 and 50419).	August 1, 2022
Dexlansoprazole	Removed labeler code restriction (64764).	August 1, 2022
Diazepam	Removed labeler code restrictions (66490 and 00187) from rectal gel.	August 1, 2022
Drospirenone/ Ethinyl Estradiol/ Levomefolate Calcium	Removed labeler code restriction (50419).	August 1, 2022
Duvelisib	Additional labeler code restriction (73116) added.	August 1, 2022
Elbasvir/Grazoprevir	Prior authorization requirement removed and restrictions updated.	August 1, 2022
Enalapril	Additional formulation (solution) added with a restriction.	August 1, 2022
Enfuvirtide	Added to CDL with restrictions.	August 1, 2022

Drug Name	Description	Effective Date
Enoxaparin Sodium	Additional formulation (vial) added. Removed restrictions from prefilled syringe.	August 1, 2022
Evolocumab	Prior authorization requirement removed and restrictions updated.	August 1, 2022
Ezetimibe/Simvastatin	Removed labeler code restriction (66582 and 78206).	August 1, 2022
Isometheptene Mucate, Dichloralphenazone and APAP	End dated, no longer available.	August 1, 2022
Isosorbide Dinitrate and Hydralazine Hydrochloride	Removed labeler code restriction (24338).	August 1, 2022
Ledipasvir/Sofosbuvir	Prior authorization requirement removed and restrictions updated.	August 1, 2022
Lisinopril	Additional formulation (solution) added with a restriction.	August 1, 2022
Mesalamine	Removed labeler code restriction (54092).	August 1, 2022
Mitoxantrone	Removed restriction.	August 1, 2022
Moxifloxacin HCl	Covered formulation updated.	August 1, 2022
Olopatadine HCL	Drops (0.7%) end dated.	August 1, 2022
Sildenafil	Additional formulation (suspension) added with a restriction.	August 1, 2022
Sofosbuvir	Prior authorization requirement removed and restrictions updated.	August 1, 2022
Spironolactone	Additional formulation (suspension) added with a restriction.	August 1, 2022
Timolol Maleate	Single use products end dated, and ophthalmic gel end dated, effective September 1, 2022.	August 1, 2022
Tipranavir	Oral solution end dated.	August 1, 2022
Trastuzumab	440 mg formulation end dated.	August 1, 2022

2. Updates to the Medi-Cal Rx Provider Manual

The updates/additions below have been made to the *Medi-Cal Rx Provider Manual*.

For more information, see the [Medi-Cal Rx Provider Manual](#) Version 1.16 on the Medi-Cal Rx Web Portal.

Section	Update Description	Effective Date
<p><i>Section 4.6.15 – Medical Supply Reimbursement</i></p>	<p>Added the following verbiage:</p> <p>NOTE: Effective July 1, 2022, provider payment reductions will no longer be applied to the following products:</p> <ul style="list-style-type: none"> • Therapeutic Continuous Glucose Monitoring (CGM) Systems (see Section 13.4 – Diabetic Supplies – Therapeutic Continuous Glucose Monitoring (CGM) Systems for information on coverage). • Inhaled Assisted Devices. • Peak Flow Meters. • Disposable Insulin Delivery Devices (DIDD) (see Section 13.3 – Diabetic Supplies – Disposable Insulin Delivery Devices for information on coverage). 	<p>July 1, 2022</p>
<p><i>Section 12.3.5 – Specialty Infant Products Criteria</i></p>	<p>Updated the following:</p> <p>Note: Calculate 31-day supply limit based on expected infant weight gain of 33 – 34 grams/day during an authorization term.</p> <ul style="list-style-type: none"> • For Extensively Hydrolyzed Specialty Infant (EH) products without probiotics, the beneficiary must meet 	<p>September 1, 2022</p>

Section	Update Description	Effective Date
	<p>one of the criteria listed below. Product specific criteria may also apply.</p> <ul style="list-style-type: none"> - Current diagnosis of Cow's Milk Protein Allergy (CMPA); or - Severe food allergy indicating a sensitivity to intact protein. <ul style="list-style-type: none"> • For Extensively Hydrolyzed Specialty Infant (EH) products with probiotics, the beneficiary must meet all of the criteria listed below. Product specific criteria may also apply. <ul style="list-style-type: none"> - Have a current diagnosis of CMPA or intolerance to breast milk or regular infant formula. - No immune function disorders. - No indwelling venous catheters. - Have a birth weight greater than 1,000 grams; and - The formula is not used in the prevention of a chronic or acute disease or condition. <p>And updated the following:</p> <ul style="list-style-type: none"> • For amino-based (100 percent) products with probiotics, beneficiaries must meet one of the above listed criteria (5a – d) AND all of the following: <ul style="list-style-type: none"> - No immune function disorders. - No indwelling venous catheters or post-pyloric feeding type. 	

Section	Update Description	Effective Date
	<ul style="list-style-type: none"> <li data-bbox="651 212 1166 296">– Have a birth weight greater than 1,000 grams. <li data-bbox="651 323 1166 457">– The formula is not used in the prevention of a chronic or acute disease or condition. 	

3. One-Week Countdown – Reinstatement of Reject Code 88

What is Happening?

Effective July 22, 2022, Drug Utilization Review (DUR) claim edits will be reinstated. Specifically, claims will reject for National Council for Prescription Drug Programs (NCPDP) **Reject Code 88 – Drug Utilization Review Reject Error** for DUR alerts such as drug-drug interactions, high dose, early refill, etc.

Next Steps

To prepare for reinstatement of DUR claim edits, providers are encouraged to:

- Share this information with vendors, business partners, and staff who need to know about the upcoming change.
- Assess business processes and workflows to ensure successful submission of claims.
- Review Medi-Cal Rx billing guidelines in the [NCPDP Reject Code 88 DUR Reference Guide](#) to avoid or resolve claim rejections.

Questions?

For claims or prior authorization assistance, 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 a year.

You can also submit questions via email to Medi-Cal Rx Education & Outreach at Medi-CalRxEducationOutreach@magellanhealth.com.

4. Two-Week Reminder: Electronic Claims Agreement – Submission Deadline Extended to July 31, 2022

Pursuant to the alert published December 13, 2021 (“[Medi-Cal Rx Electronic Claims Agreement](#)”), the subsequent reminder alert (“[Deadline Reminder: Electronic Claims Agreement](#)”) published March 25, 2022, and the latest reminder alert (“[30-Day Reminder: Electronic Claims Agreement – Submission Deadline Extended to July 31, 2022](#)”) published July 1, 2022, all participating Medi-Cal Rx pharmacy providers and billers will need to submit a [Medi-Cal Rx Telecommunications Provider and Biller Application/Agreement Form](#) (DHCS 6500) to continue submitting electronic claims without interruption.

Note: The completed Application/Agreement must be received by July 31, 2022. If the completed Application/Agreement is not received by July 31, 2022, electronically submitted claims (via Point-of-Sale [POS] or web claims submitted through the Medi-Cal Rx Provider Portal) will be denied with the National Council for Prescription Drug Programs (NCPDP) *Reject Code 827 – Pharmacy Service Provider is Temporarily Suspended* until the completed Application/Agreement is received. Paper pharmacy claim forms will still be available for use (these will not receive NCPDP Reject Code 827).



Pharmacy providers and billers will **NOT** be able to continue to submit electronic POS claims or web claims submitted through the Medi-Cal Rx Provider Portal without recertifying their agreement by July 31, 2022.

If the pharmacy provider who fills out this form is not the biller, then the biller must also complete the appropriate sections of the form.

Instructions for Pharmacy Providers and Billers

1. Download and print the [Medi-Cal Rx Telecommunications Provider and Biller Application/Agreement Form](#) (DHCS 6500).
2. Complete the form in **blue ink** and verify that all information is correct.
3. Return the form with an original signature to the following address:

Medi-Cal Rx Customer Service Center

ATTN: Billing Agreement Processing

P.O. Box 610

Rancho Cordova, CA 95741-0610

Note: The completed application must be received by July 31, 2022.

5. Prescriber Advantages of Using CoverMyMeds® for Medi-Cal Rx Prior Authorization Requests

For Medi-Cal Rx prescribers who currently fax in prior authorization (PA) requests, CoverMyMeds® allows you to submit an electronic PA (ePA) for drug/product requests to Medi-Cal Rx.

Benefits to Using CoverMyMeds®

- Presents covered alternatives during the submission process.
- Interacts with Medi-Cal Rx systems presenting clinical questions directly to the prescriber, so all information is gathered up front.
- Allows for real-time approvals based on clinical information submitted by the prescriber.
 - **Note:** If a PA request is not approved in real time, the request will be routed to Medi-Cal Rx for further review.
- Allows prescribers to include attachments to the PA request, as well as inquire about the status of the PA.
 - **Note:** The status of PAs submitted on CoverMyMeds® can also be found on the Medi-Cal Rx Provider Portal.

Create Your Account Today

Sign up for your free CoverMyMeds® account by visiting <https://account.covermymeds.com/signup> and entering the requested information.

Contact Information

For help with CoverMyMeds®, the following support is available directly through CoverMyMeds®:

- Live support: 1-866-452-5017
 - Monday – Friday: 8 a.m. – 11 p.m. ET
 - Saturday: 8 a.m. – 6 p.m. ET
- Chat feature on [CoverMyMeds®](#)
 - Found in the lower right corner of the screen

Additional Resources

- [CoverMyMeds® Frequently Asked Questions](#)

6. Update: Postponement of Implementation of NCPDP Reject Code 80

What is Happening?

The Department of Health Care Services (DHCS) has elected to postpone implementation of the National Council for Prescription Drug Programs (NCPDP) **Reject Code 80 – Diagnosis Code Submitted Does Not Meet Drug Coverage Criteria.**

Claims submitted to Medi-Cal Rx will NOT be edited for a diagnosis code as planned to begin July 22, 2022. However, providers are reminded of their obligation to document the meeting of Code 1 restrictions and to keep that information readily available.

Feedback from stakeholder engagements has been critical to the design of the reinstatement plan for claim edits and prior authorizations (PAs) for Medi-Cal Rx. DHCS and Magellan Medicaid Administration acknowledge that implementation of Reject Code 80 could require submission of PAs prior to the timeframe targeted for PA reinstatement.

The decision to postpone application of a diagnosis code edit at this time aligns with our commitment to continue the dialogue with our stakeholder community and ensure the delivery of timely and safe pharmacy services to Medi-Cal beneficiaries and providers across California. Medi-Cal Rx will undertake a robust communication and education plan before Reject Code 80 is executed.

Please note: Claim edits for Drug Utilization Review (DUR) requirements will be reinstated, as planned, effective July 22, 2022. Specifically, NCPDP Reject Code 88 – DUR Alerts such as drug-drug interactions, high dose, early refill, etc., will be in effect and will generate either claim rejection or informational claim messages that pharmacies may need to address for claim adjudication.

Next Steps

To prepare for reinstatement of DUR claim edits, providers are encouraged to:

- Share this information with vendors, business partners, and staff who need to know about the upcoming change.
- Assess business processes and workflows to ensure successful submission of claims.
- Review Medi-Cal Rx billing guidelines in the [NCPDP Reject Code 88 DUR Reference Guide](#) to avoid or resolve claim rejections.
- Review [Appendix A – Reject Code 88 DUR: Service Codes Scenarios](#) for a list of scenarios for each DUR alert.
- Review the revised [Medi-Cal Rx Reinstatement Plan Phase I, Wave I: Frequently Asked Questions \(FAQs\)](#).
- Continue to monitor the [Medi-Cal Rx Web Portal](#) as additional alerts and bulletins are published.

7. Changes to Medical Supplies Reimbursement Methodology, Effective July 1, 2022

Recently, Governor Gavin Newsom signed into effect budget trailer bill language (TBL) that impacts the pharmacy (Medi-Cal Rx) reimbursement methodology for medical supplies. Effective July 1, 2022, Medi-Cal Rx claims for medical supplies with a date of service (DOS) on or after this date are impacted as follows:

- For Medi-Cal Rx contracted Continuous Glucose Monitoring (CGM) Systems and Medi-Cal Rx contracted Disposable Insulin Delivery Devices, which are considered Diabetic Supplies, the reimbursement is now the Maximum Allowable Product Cost price on file for the item, plus a 23 percent dealer markup. Additionally, these products are now exempt from the Assembly Bill (AB) 97-mandated 10 percent payment reduction. Please refer to the *Lists* on the [Medi-Cal Rx Web Portal](#) for specific covered product listings.
- Respiratory Supplies, which include inhaled assisted devices (aerochambers) and peak flow meters, are now exempt from the AB 97-mandated 10 percent payment reduction.

The *Medi-Cal Rx Provider Manual* will be updated at a later date to reflect these changes. These changes do not apply to any claims with a DOS prior to July 1, 2022.

- List of [Covered Therapeutic Continuous Glucose Monitoring \(CGM\) Systems](#)
- List of [Covered Disposable Insulin Delivery Devices](#)
- List of [Covered Medical Supplies Product Descriptions and Billing Information](#)
- Link to budget TBL for 10 percent reduction exemption: <https://esd.dof.ca.gov/trailer-bill/public/trailerBill/pdf/622>
- Link to budget TBL for diabetic supplies reimbursement changes: <https://esd.dof.ca.gov/trailer-bill/public/trailerBill/pdf/700>

8. Second Booster Dose for Targeted Populations

On March 29, 2022, the U.S. Food and Drug Administration (FDA) made changes to the Emergency Use Authorization (EUA) of the Pfizer and Moderna COVID-19 vaccines to allow for a second booster dose of the vaccine. In addition, the FDA authorized a manufacturing change for the Moderna COVID-19 vaccine, allowing for a booster formulation to be available in the marketplace.

Effective for dates of service on or after March 29, 2022, the FDA amended the EUA for both the Pfizer-BioNTech and Moderna COVID-19 vaccines to allow for use of a second booster dose to be administered to the following groups at least four months after the initial booster dose:

Pfizer-BioNTech COVID-19 Vaccine:

- Individuals 12 years of age or older with certain kinds of immunocompromise. This includes individuals who have undergone solid organ transplantation or who are living with conditions that are considered to have an equivalent level of immunocompromise.
- Individuals 50 years of age and older.

Moderna COVID-19 Vaccine:

- Individuals 18 years of age or older with certain kinds of immunocompromise. This includes individuals who have undergone solid organ transplantation or who are living with conditions that are considered to have an equivalent level of immunocompromise.
- Individuals 50 years of age and older.

Additionally, effective for dates of service on or after March 29, 2022, the FDA authorized a booster dose formulation (50 mcg/0.5 mL) for the Moderna COVID-19 vaccine. The Moderna COVID-19 vaccine booster formulation is authorized for individuals 18 years of age and older and is only authorized for the first or second booster dose (not authorized for the primary vaccination series). Either of the following National Drug Codes must be utilized when billing for the 50 mcg/0.5 mL formulation:

- 80777027505
- 80777027599

9. Medi-Cal Rx Training Catalog

Medi-Cal Rx Education & Outreach (E&O) offers pharmacy providers and prescribers an overview of several Medi-Cal Rx topics. Trainings offered are posted on the [Outreach Page](#) in the SabaSM Learning Management System (LMS) and on the [Medi-Cal Rx YouTube Channel](#). For assistance with registering for these trainings or to request a Medi-Cal Rx Office Hour, email the Medi-Cal Rx E&O team at Medi-CalRxEducationOutreach@magellanhealth.com.

Course Platforms

Training sessions for pharmacy providers and prescribers are offered via the following two platforms: Saba LMS and the [Medi-Cal Rx YouTube Channel](#).

Saba LMS

To enroll for trainings in Saba, User Administration Console registration is required, and you must be granted the Saba LMS role.

- **Instructor-Led Training (ILT):** A Pharmacy Service Representative will host a live training session at a scheduled date and time.
- **Recordings:** ILT sessions will be available in an audio-visual format and offer the same content included in the live ILTs. Course recordings are not date and time specific and can be viewed at a time that best fits your schedule.

Medi-Cal Rx YouTube Channel

- **Recordings:** All current trainings will be available in an audio-visual format on the [Medi-Cal Rx YouTube Channel](#).

Available Courses

Medi-Cal Rx 101 Webinar

The Medi-Cal Rx 101 training is intended to give new and current pharmacy providers and prescribers an overview of Medi-Cal Rx.

- **Saba LMS:** [Instructor-led available classes](#)

Course Name	Class Date	Time
Medi-Cal Rx 101	Friday, July 8, 2022	2:00 p.m. – 3:00 p.m. PT
Medi-Cal Rx 101	Friday, July 15, 2022	2:00 p.m. – 3:00 p.m. PT
Medi-Cal Rx 101	Friday, July 22, 2022	2:00 p.m. – 3:00 p.m. PT
Medi-Cal Rx 101	Friday, July 29, 2022	2:00 p.m. – 3:00 p.m. PT
Medi-Cal Rx 101	Friday, August 5, 2022	2:00 p.m. – 3:00 p.m. PT
Medi-Cal Rx 101	Friday, August 12, 2022	2:00 p.m. – 3:00 p.m. PT
Medi-Cal Rx 101	Friday, August 19, 2022	2:00 p.m. – 3:00 p.m. PT
Medi-Cal Rx 101	Friday, August 26, 2022	2:00 p.m. – 3:00 p.m. PT

- **Saba LMS:** [Medi-Cal Rx 101 Webinar](#) recording
- **Medi-Cal Rx YouTube Channel:** [Medi-Cal Rx 101 Prescriber Webinar](#) and the [Medi-Cal Rx 101 Pharmacy Webinar](#) recordings

Prior Authorization (PA) Training

This training is intended for pharmacy providers and prescribers who plan to use the new Medi-Cal Rx Secured Provider Portal to submit PAs.

- **Saba LMS:** [Prior Authorization Submission Webinar](#) recording
- **Medi-Cal Rx YouTube Channel:** [Medi-Cal Rx Prior Authorization \(PA\) Webinar](#) recording

Web Claims Submission Training

This training will give providers an overview of the new Medi-Cal Rx Web Claims Submission system. Providers currently using a Point-of-Sale (POS) system to process prescription claims can continue to submit web claims via this method.

- **Saba LMS:** [Web Claims Submission Webinar](#) recording
- **Medi-Cal Rx YouTube Channel:** [Web Claims Submission Webinar](#) recording

10. 30-Day Reminder: Electronic Claims Agreement – Submission Deadline Extended to July 31, 2022

Pursuant to the alert published December 13, 2021 (“[Medi-Cal Rx Electronic Claims Agreement](#)”), and the subsequent reminder alert (“[Deadline Reminder: Electronic Claims Agreement](#)”) published March 25, 2022, all participating Medi-Cal Rx pharmacy providers and billers will need to submit a [Medi-Cal Rx Telecommunications Provider and Biller Application/Agreement Form](#) to continue submitting electronic claims without interruption.

Note: The completed Application/Agreement must be received by July 31, 2022.



Pharmacy providers and billers will **NOT** be able to continue to submit electronic Point-of-Sale (POS) claims without recertifying their agreement by July 31, 2022.

If the pharmacy provider who fills out this form is not the biller, then the biller must also complete the appropriate sections of the form.

Instructions for Pharmacy Providers and Billers

4. Download and print the Medi-Cal Rx Telecommunications Provider and Biller Application/Agreement Form.
5. Complete the form in **blue ink** and verify that all information is correct.
6. Return the form with an original signature to the following address:

Medi-Cal Rx Customer Service Center

ATTN: Billing Agreement Processing
P.O. Box 610
Rancho Cordova, CA 95741-0610

Note: The completed application must be received by July 31, 2022.

11. Medi-Cal Rx Office Hour – Reinstatement of Reject Code 88

What is Happening?

Effective July 22, 2022, claim edits for Drug Utilization Review requirements will be reinstated. For more information, please see this alert: [30-Day Countdown – Reinstatement of Reject Code 88](#).

To learn more about this upcoming change, join us at a Medi-Cal Rx Office Hour session which is held Monday through Friday, from 12 p.m. to 1 p.m. (except holidays). Dial In: 888-788-0099 (U.S. toll free) or use this link: [Medi-Cal Rx's Office Hour](#). We look forward to hearing from you.

Questions?

If you have questions about the reject codes, 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, please email Medi-Cal Rx Education & Outreach at Medi-CalRxEducationOutreach@magellanhealth.com.

12. Reminder: Fiscal Year Two-Week Fee-for-Service Hold for Specific Provider Payments

Pursuant to the published [Medi-Cal Rx Checkwrite Schedule – State Fiscal Year 2021-22](#), specific payments scheduled in June and July for Fiscal Year 2021 – 2022 will be delayed until the start of Fiscal Year 2022 – 2023.

Medi-Cal-funded Fee-for-Service (FFS) payments scheduled with a Medi-Cal Rx Payment Release Date of **June 28, 2022** will be held until **July 8, 2022**. Payments to the following programs will be held during this time period:

- Abortion
- Family Planning, Access, Care and Treatment (Family PACT)
- Medi-Cal

- Separate Children's Health Insurance Program (SCHIP)

Medi-Cal- and State-funded FFS payments with a Medi-Cal Rx Payment Release Date of **July 1, 2022** will be held until **July 8, 2022**. Payments to the following programs will be held during this time period:

- Abortion
- California Children's Services (CCS) State-Only
- Family PACT
- Genetically Handicapped Persons Program (GHPP) State-Only
- Medi-Cal
- SCHIP

13. Now Available: Medi-Cal Rx Telecommunications Provider and Biller Application/Agreement Form – Supplemental Form

This alert informs pharmacies that a supplemental form ([Department of Health Care Services \[DHCS\] 6500-A](#)) is now available for use while completing their DHCS 6500 form.

The [Medi-Cal Rx Telecommunications Provider and Biller Application/Agreement Form – Supplemental Form \(For Electronic Claims Submission\)](#) (DHCS 6500-A) can be used by pharmacy chain administrators completing the [Medi-Cal Rx Telecommunications Provider and Biller Application/Agreement Form \(for Electronic Claims Submission\)](#) (DHCS 6500) on behalf of several National Provider Identifiers (NPIs) where the Contact Information and Biller Information are the same.

The DHCS 6500-A is supplemental to the DHCS 6500 and **does not** replace the DHCS 6500. If you have already submitted a DHCS 6500 for each individual NPI within your pharmacy chain, it is not required for you to submit a DHCS 6500-A.

14. Enteral Nutrition Updates Additions Effective July 1, 2022

Effective July 1, 2022, the [List of Covered Enteral Nutrition Products](#) has been updated on the Medi-Cal Rx Web Portal. This update adds two Mead Johnson products and one Kate Farms pediatric standard product to the List:

Product Category	Product Type	Product Label Name	Medi-Cal 11-digit billing number (NDC)	MAC per gm or mL	Effective Date of Change
Specialty Infant	Extensively Hydrolyzed Products (EH)	Pregestimil 20 kcal RTU, 59 mL, 48 cs	00087143341	0.0239	July 1, 2022
Specialty Infant	Extensively Hydrolyzed Products (EH)	Pregestimil 24 kcal RTU, 59 mL, 48 cs	00087143441	0.0239	July 1, 2022
Standard	None	Kate Farms Pediatric Standard Formula 1.2, chocolate, 250 mL	11112003068	0.0073	July 1, 2022

Product addition or inclusion on the list does not guarantee supply nor individual specific coverage.

Products deleted from the list will no longer be reimbursable, even with an approved prior authorization, on or after the effective date of deletion. The Maximum Acquisition Cost (MAC) for these products is no longer guaranteed.

15. Medi-Cal Rx Point-of-Sale Messaging Update

Background

Since February 2022, Medi-Cal Rx has stabilized the Medi-Cal Rx Customer Service Center (CSC) and prior authorization (PA) operations. The Department of Health Care Services (DHCS) and Magellan Medicaid Administration, Inc. (MMA) have also engaged in an intensive planning process for phased reinstatement of claim edits and PA requirements. As previously communicated, claim edits originally proposed to be reinstated May 1, 2022, will not occur until the education and outreach efforts have been completed.

180-Day Transition Policy

When Medi-Cal Rx launched, a 180-day transition policy was implemented to reduce the impact of the transition on Medi-Cal beneficiaries by extending their previously approved prescriptions, with or without previously approved PAs, through July 1, 2022. Medi-Cal Rx will continue to utilize historical PA and claim data for the transition policy beyond July 1, 2022. As with each successive wave and phase of the reinstatement process, including the phasing out of the transition policy, DHCS will evaluate the impact of prior changes and assess for operational readiness to determine when the next wave or phase can be implemented. DHCS has committed to providing stakeholders with 90-day advance notification prior to phasing out the transition policy.


What is Happening?

Change in Point-of-Sale Messaging

To align with the extension of the 180-Day transition policy, messaging at the point of sale will be changed from *"This request falls under the Medi-Cal Rx Transition Policy, currently PA is not required. After 07/01/2022, the medication submitted will require a Medi-Cal Rx PA for payment."* to *"The existing Medi-Cal Rx Transition Policy for claims coverage has been extended beyond 06/30/22. A PA for this benefit/drug is not required at this time. A provider notice will be published 90 days before the Medi-Cal Rx Transition Policy is phased out."*

16. Appendix A: Reject Code 88 DUR: Service Codes Scenarios

Pharmacy claims may be rejected or include one or more informational messages due to a [Drug Utilization Review \(DUR\)](#) alert. Medi-Cal Rx pharmacists will need to review the DUR alert to determine what action should be taken. If a rejection occurs, follow the steps in the [NCPDP Reject Code 88 DUR Reference Guide](#). The rejected claim can be resolved at the pharmacy point of sale (POS) or via web claims submitted through the Medi-Cal Rx Provider Portal. For additional information regarding web claims submission denial, refer to the [Medi-Cal Rx Web Claims Submission User Guide](#).



- If the claim rejects for multiple Reason for Service Codes, each Service Code must be addressed independently. All DUR rejection alerts must be responded to via one claim. Any unresolved alerts will continue to reject. Informational message alerts do not have to be resolved for claim adjudication.
- If you receive duplicate Reason for Service Codes, you are only required to address **one** Reason for Service Code (e.g., if you receive codes HD and HD, only resolve **one** code HD).

Reason for Service Codes

The following table provides information as to what triggers rejections and informational messages for each DUR alert. Multiple alerts on a prescription are visible to the pharmacist and are prioritized by therapeutic problem-type according to the hierarchy, as listed in the following table.

DUR Alerts			
Reason for Service Code	Description	Reject or Informational Message	Scenarios
DA	Drug-Allergy Conflict	Informational Message	An informational message will be triggered when the prescribed medication interacts with allergies documented in the beneficiary's Medi-Cal Rx profile.
PG	Drug-Pregnancy Conflict	Reject	A reject will be triggered when the drug is generally contraindicated or not recommended for use during pregnancy.
MC	Drug-Disease Conflict	Informational Message	An informational message will be triggered when the drug on the submitted claim is contraindicated for use with a documented diagnosis on the beneficiary's Medi-Cal Rx profile.
DD	Drug-Drug Interaction	Reject	A reject will be triggered when the beneficiary has an active paid claim for more than one medication concurrently that interacts with each other.
TD	Therapeutic Duplication	Reject	A reject will be triggered when the beneficiary has an active paid claim for more than one medication concurrently with ingredients that share the same therapeutic or pharmacologic class.
ER	Overutilization (Early Refill)	Reject	A reject will be triggered when a beneficiary has not exhausted their previous fill for the same drug (name, strength, and formulation) in which the requested refill interval is less than 75 percent, except for opioids which is 90 percent.

DUR Alerts			
Reason for Service Code	Description	Reject or Informational Message	Scenarios
LR	Underutilization (Late Refill)	Informational Message	An informational message will be triggered when the beneficiary is refilling their prescription after the expected next fill date from the previous days' supply of the historical claim.
AT	Additive Toxicity	Reject	A reject will be triggered when at least four different drugs overlap within the following therapeutic categories: opioid pain or cough medications, benzodiazepines, skeletal muscle relaxants, other sleep drugs and tranquilizers (non-benzodiazepine), antipsychotic medications, and other selected psychotropic medications with CNS-depressant properties.
ID	Ingredient Duplication	Reject	A reject will be triggered when the beneficiary has an active paid claim with the same ingredient as the drug on the submitted claim.
PA	Drug-Age Alert	Reject (Pediatric)	A reject will be triggered when the medication submitted is not appropriate for the beneficiary's age.
		Informational Message (Geriatric)	An informational message will be triggered when the medication submitted is not appropriate for the beneficiary's age.
HD	High Dose	Reject	A reject will be triggered when the quantity and day supply of the incoming claim indicates a beneficiary's dose is higher than the recommended dose by the Food and Drug Administration (FDA).

DUR Alerts			
Reason for Service Code	Description	Reject or Informational Message	Scenarios
LD	Low Dose	Informational Message	An informational message will be triggered when the quantity and day supply of the incoming claim indicates a beneficiary's dose is lower than the recommended dose by the FDA.

17. NCPDP Reject Code 88 DUR Reference Guide

Effective July 22, 2022, [Drug Utilization Review \(DUR\)](#) National Council for Prescription Drug Programs (NCPDP) **Reject Code 88 – DUR Reject Error** will be reinstated. NCPDP **Reject Code 88** alerts pharmacists when optimal therapy is not reflected in the beneficiary's claim history. This alert may present itself in the form of a rejection or an informational message.

If the alert presents itself in the form of a rejection, pharmacists shall exercise professional judgement and submit an override when an informed decision on therapy has been reached.

Note: Refer to [Appendix A – Reject Code 88 DUR: Service Codes Scenarios](#) for a list of scenarios for each DUR alert.


The following NCPDP table can be referenced for the field information that will be used to communicate DUR claim information.

DUR NCPDP Fields				
Field #	NCPDP Field Name	Value	Payer Usage	Payer Situation
473-7E	DUR/Professional Pharmacy Service (PPS) Code Counter	Maximum of 9 occurrences.	RW	Required if DUR/PPS segment is used.
439-E4	Reason for Service Code		RW	Required when needed to communicate DUR information.

DUR NCPDP Fields				
Field #	NCPDP Field Name	Value	Payer Usage	Payer Situation
440-E5	Professional Service Code		RW	Required when needed to communicate DUR information.
441-E6	Result of Service Code		RW	Required when needed to communicate DUR information.

Next Steps

When the claim triggers NCPDP **Reject Code 88**, reference NCPDP Field 439-E4 Reason for Service Code to determine the reason.



- If the claim rejects for multiple Reason for Service Codes, each Service Code must be addressed independently. All DUR rejection alerts must be responded to via one claim. Any unresolved alerts will continue to reject. Informational message alerts do not have to be resolved for claim adjudication.
- If you receive duplicate Reason for Service Codes, you are only required to address **one** Reason for Service Code (e.g., if you receive codes HD and HD, only resolve **one** code HD).

The pharmacy must return the claim with each of the following three components shown below to resolve the rejection.

Reason for Service Codes NCPDP Field 439-E4

The Reason for Service Code consists of alpha characters that reflect the type of potential therapeutic problem identified by the Medi-Cal Rx claims adjudication system and returned on a claims response.

Multiple alerts on a prescription are visible to the pharmacist and are prioritized by therapeutic problem-type according to the following hierarchy:

- DA: Drug-Allergy Conflict
- PG: Drug-Pregnancy Conflict
- MC: Drug-Disease Conflict
- DD: Drug-Drug Interaction
- TD: Therapeutic Duplication
- ER: Overutilization (Early Refill)
- LR: Underutilization (Late Refill)
- AT: Additive Toxicity
- ID: Ingredient Duplication
- PA: Drug-Age Conflict
- HD: High Dose
- LD: Low Dose

Professional Service Codes NCPDP Field 440-E5

The Professional Service Code consists of alphanumeric characters that identify the action the pharmacist took to resolve the DUR conflict. Select one of the Professional Service Codes from the following table.

Professional Service Codes	
Code	Description
M0 (M zero)	Prescriber consulted.
P0 (P zero)	Beneficiary consulted.
R0 (R zero)	Pharmacist consulted other source.

Result of Service Codes NCPDP Field 441-E6

The Result of Service Codes consists of alphanumeric characters that informs Medi-Cal Rx whether the prescription will be dispensed to determine the payment status of the claim. Select one of the codes from the following table.

Result of Service Codes	
Code	Description
1A	Filled as is; false positive.
1B	Filled prescription as is.

Result of Service Codes	
Code	Description
1C	Filled with different dose.
1D	Filled with different directions.
1E	Filled with different drug.
1F	Filled with different quantity.
1G	Filled with prescriber approval.
2A	Prescription not filled.
2B	Prescription not filled; direction clarified.

18. 30-Day Countdown – Reinstatement of Reject Code 88

What is Happening?

Effective July 22, 2022, Drug Utilization Review (DUR) claim edits will be reinstated. Specifically, claims will reject for National Council for Prescription Drug Programs (NCPDP) **Reject Code 88 – Drug Utilization Review Reject Error** for DUR alerts such as drug-drug interactions, high dose, early refill, etc.

Next Steps

To prepare for reinstatement of these claim edits, providers are encouraged to:

- Share this information with vendors, business partners, and staff who need to know about the upcoming change.
- Assess business processes and workflows to ensure successful submission of claims.
- Review Medi-Cal Rx billing guidelines in the [NCPDP Reject Code 88 DUR Reference Guide](#) to avoid or resolve claim rejections.

19. Enteral Nutrition Updates: Interchange of Equivalent Contracted Enteral Nutrition Product and Specialty Infant Authorization Term Limit

On April 4, 2022, the Department of Health Care Services (DHCS) released on the Medi-Cal Rx Web Portal the alert titled [Enteral Nutrition Update: Temporary Interchange of Equivalent Contracted Enteral Nutrition Products Due to Recent Formula Recall](#) which allowed for the temporary substitution of contracted enteral nutrition products without the need for a new prior authorization (PA) from the prescriber and specific to certain product requirements.

This policy was a temporary allowance due to the national formula recall and was to expire after July 1, 2022. This ending date of the temporary policy has now been extended indefinitely until the national supply of infant formula stabilizes. Prior to DHCS removing this substitution without a PA policy in the future, a 90-day notice will be published, allowing substantial notification to providers and stakeholders.

The original notification alert can be found here on the Medi-Cal Rx Web Portal: [Enteral Nutrition Update: Temporary Interchange of Equivalent Contracted Enteral Nutrition Products Due to Recent Formula Recall](#).

Additionally, on January 13, 2022, DHCS released on the Medi-Cal Rx Web Portal the alert titled [Enteral Nutrition: Extension of Specialty Infant Prior Authorization Term Limitation](#) which allowed for the temporary extension of the PA term duration for authorization of specialty infant products from a maximum two-month term up to a maximum four-month term.

This was also a temporary policy due to expire July 1, 2022. DHCS has determined this will be a permanent update to the policy, allowing up to a 120-day maximum term limitation on specialty infant products to increase ease of access and consistency of coverage. The *Medi-Cal Rx Provider Manual* will be updated to reflect this policy change.

The original notification alert can be found on the Medi-Cal Rx Web Portal: [Enteral Nutrition: Extension of Specialty Infant Prior Authorization Term Limitation](#).