



30-Day Countdown: Phase IV, Lift 1: Reinstatement of Claim Edits for Age, Gender, and Labeler Code Restrictions for Beneficiaries 22 Years of Age and Older

July 3, 2023; Updated July 20, 2023

Background

Medi-Cal Rx is moving forward with reinstatement for beneficiaries 22 years of age and older with the initiation of Phase IV through a series of lifts impacting claim utilization management (UM) edits (such as age limits, labeler restrictions, quantity limits, diagnosis, etc.).

The purpose of this alert is to notify pharmacy providers and prescribers that on August 4, 2023, Phase IV, Lift 1 (P4/L1) will be the first lift impacting claim UM edits for beneficiaries 22 years of age and older.

Note: Claims for beneficiaries 21 years of age and younger will not be impacted.

What Pharmacy Providers and Prescribers Need to Know

The following claim edits will be reinstated with corresponding NCPDP Reject Codes on **August 4, 2023:**

- **Reject Code 60 – Product/Service Not Covered for Patient Age**
 - Medi-Cal Rx will reinstate age limit UM requirements on claims for beneficiaries 22 years of age and older. Reject Code 60 will be reinstated for claims of all standard therapeutic classes (STCs) except enteral nutrition products (including but not limited to the Code I restriction listed in the *Medi-Cal Rx Contract Drugs List [CDL]*).

- **Reject Code 61 – Product/Service Not Covered for Patient Gender**

- Medi-Cal Rx will reinstate gender UM requirements on claims for beneficiaries 22 years of age and older. Reject Code 61 will be reinstated for claims of all STCs.
- Claims submitted for Medi-Cal, California Children’s Services (CCS), and Genetically Handicapped Persons Program (GHPP) beneficiaries will not be impacted by Reject Code 61.
- Claims submitted for Family Planning, Access, Care, and Treatment (Family PACT) beneficiaries will be impacted by Reject Code 61.

Note: The Department of Health Care Services (DHCS) removed current gender UM requirements for all Medi-Cal Rx claims except for Family PACT.

- **Reject Code 606 – Brand Drug/Specific Labeler Code Required**

- Medi-Cal Rx will reinstate labeler code UM requirements on brand, multisource drugs where the brand name is less costly than the therapeutically equivalent (AB-rated) generic alternatives for beneficiaries 22 years of age and older.
- Code I labeler restrictions can be found in the CDL, as well as in the supplemental message returned upon claim adjudication.
- The following table provides examples of brand, multisource drugs impacted by the labeler restriction:

Examples of Impacted Brand, Multisource Drugs			
Advair	Diclegis	Natroba	Symbicort
Alphagan P 0.15	Enemeez mini	Nesina	Travatan Z
Azopt	Flovent	Pentasa	Xulane Patch
Butrans	Kazano	Pradaxa	
Ciprodex Otic	Lotemax	Saphris	
Combigan	Narcan	Suboxone	

Note: DHCS will continue to evaluate the cost of these brand, multisource drugs and their generic equivalents on a quarterly basis. As generic equivalents become the least costly alternative, labeler code UM requirements will be modified.

Pharmacy providers will receive the following supplemental messaging for the following reject codes:



- **Reject Code 60:** *"Age requirement not met. Prior Authorization Required."*
- **Reject Code 61:** *"Gender requirement not met. Prior Authorization Required."*
- **Reject Code 606:** *"Code 1 Labeler Restriction not met."*

What Pharmacy Providers and Prescribers Need to Do

These reject codes require submission and approval of a prior authorization (PA) to receive a paid claim with Medi-Cal Rx. However, pharmacy providers and prescribers should:

1. Consider alternative therapies or NDCs that may not require a PA, if clinically appropriate. Review the following:
 - [Medi-Cal Rx Contract Drugs Lists & Covered Products Lists](#)
 - [Medi-Cal Rx Approved NDC List](#)
 - Prescribers: Refer to your ePrescribing application.
2. If a change in therapy is not appropriate, submit a PA request via one of the approved Medi-Cal Rx PA Submission Methods:
 - [CoverMyMeds®](#)
 - [Medi-Cal Rx Secured Provider Portal](#)
 - NCPDP P4 Transaction
 - Fax
 - U.S. Mail

Plan Ahead

To prepare for reinstatement of these claim edits, pharmacy providers and prescribers 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.

Resources

- Review Medi-Cal Rx billing guidelines in the [Medi-Cal Rx Billing Tips](#).
- Review *Appendix D* and other parts of the [Medi-Cal Rx Provider Manual](#).
- Review the [NCPDP Payer Specification Sheet](#).
- Review the [Prior Authorization Submission Reminders](#) alert.
- Review PA resources by selecting **Prior Authorization (PA)** on the [Forms & Information](#) page.
- Continue to review the [Medi-Cal Rx Web Portal](#) for additional information.

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@magellanhealth.com.