



**Arkansas Department
Of Health and Human Services
Division of Medical Services**



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OFFICIAL NOTICE

DMS-2006-Q-4

TO: Health Care Provider – Pharmacy

DATE: February 15, 2006

SUBJECT: Prescription Drug Coverage for Dual Eligibles Covered by Medicare

Official Notice DMS-2006-Q-3 dated January 27, 2006 extended coverage by Arkansas Medicaid for the Medicare/Medicaid full dual eligibles for dates of service through February 15, 2006.

Effective for claims submitted February 16, 2006 through March 17, 2006 coverage for the dual eligibles will be extended. Arkansas Medicaid will continue to suspend the Part D edit; this will allow prescription drug claims for full dual eligibles to be processed and paid by the Medicaid system.

The Part D edit will be reinstated at midnight Friday, March 17, 2006. This will allow providers to bill Medicaid for dates of service beginning January 1, 2006 through March 17, 2006. Effective for claims submitted on or after March 18, 2006 the edit will be reinstated. **Please note that all Medicare-covered claims submitted on or after March 18 will not be covered by Medicaid, regardless of the date of service. In order to utilize the override process described in this notice, claims must be submitted by midnight March 17.**

To process claims submitted February 1 through March 17, 2006 for the dual eligibles with dates of service from January 1, 2006 through March 17, 2006, the pharmacist must enter the Medicare denial date into the Third Party Liability (TPL) denial date field (443-E8 Other Payer Date). Please note that this requirement for claims for dual eligibles was not included in our first two notices.

This TPL denial override process should only be used for claims that cannot be successfully billed to the Medicare PDP. Pharmacists should not utilize this process as a substitute to seek reimbursement for non-formulary drugs for full dual eligibles for whom Medicare PDP coverage is available. If a pharmacist later receives payments from the Medicare PDP on a claim paid by Medicaid, the pharmacist shall reverse and credit the claim paid by Medicaid back to the Division of Medical Services.

This change will only affect those people who are eligible for both full Medicaid and Medicare. Medicare beneficiaries for whom Medicaid pays only their regular Medicare premiums and co-payments will not be covered by this change. Medicaid did not pay for their prescribed drugs prior to the implementation of Part D, and they are not in the Medicaid eligibility system to receive drug coverage. Similarly, other Medicare beneficiaries who have no Medicaid eligibility at all will not be covered by this policy.

Thank you for your participation in the Arkansas Medicaid Program.

If you need this material in an alternative format, such as large print, please contact our Americans with Disabilities Act Coordinator at (501) 682-6789 and 1-877-708-8191. Both telephone numbers are voice and TDD.

If you have questions regarding this notice, please contact the EDS Provider Assistance Center at In-State WATS 1-800-457-4454, or locally and Out-of-State at (501) 376-2211.

Arkansas Medicaid provider manuals, official notices and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website:
www.medicaid.state.ar.us.

Roy Jeffus, Director