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Newsletter Notice

Catamaran is striving to enhance our communication with our pharmacy partners. This is the first edition of a newsletter dedicated to informing our pharmacy network about updates and changes, including new plan information, lifting of edits in emergency situations, informational changes related to Medicare Part D, new programs, and other network updates. We hope that you find this both informative and useful. We intend to limit the number of additional blast faxes or emails you receive from us and condense down to this newsletter.

We would love to hear your thoughts on this publication and what you would like it to contain. We think it is important to keep you informed about all the changes going on, not only at Catamaran, but within the industry as well. At the end of this publication will be important contact information for our Provider Relations Team. As always, we thank you for your participation in our network, and we hope you enjoy this edition.

**The Catamaran
Pharmacy Focus Team**

2014 Medicare Part D FWA Compliance Attestation

As a participating pharmacy provider, you are required to provide an annual Compliance and FWA Attestation as a condition of participation in the Catamaran Pharmacy Network. CMS requires that all entities, including pharmacies contracted with Medicare Part D Plan Sponsors or their PBM's, their employees, and any related down-stream entities, receive training at the time of hire and annually thereafter. Please be reminded that annual training is mandatory, and that your pharmacies must provide it for all staff members who administer Medicare Part D prescription services to Medicare Part D beneficiaries.

If you are seeking a training program, please visit our provider portal at <https://catamaranrx.com/Login-Pages/Pharmacies/>.

The CMS training module is provided by Catamaran for reference and is preferred, however not specifically required. If another source of training is utilized, it must be maintained for audit purposes and meet the expectations set forth by CMS.

In the coming days, you will receive an email or fax blast with a survey link in which you can provide your 2014 Compliance and FWA Attestation. Please complete the attestation survey to affirm that all appropriate staff members employed by your pharmacy have completed this training. **Your attestation will be required by December 31, 2014.** As a reminder, you are required to keep training logs, along with policies and procedures related to this training and all compliance activities. This information may be requested and must be provided to Catamaran upon notice or via the audit process.

If you have questions, please email provider.relations@catamaranrx.com or call 1-877-633-4701.

Requirement Reminders

Prescriber Identification

Identification of the prescriber requires a National Provider Identifier (NPI). For all claims, including controlled substance prescriptions, the provider must submit the prescriber's NPI. If the prescriber does not have an NPI, or the provider cannot obtain the prescriber's NPI after making reasonable efforts to do so, an alternative identifier may be submitted in certain circumstances as permitted by state and federal guidelines.

It is the provider's responsibility to resubmit the claim when the prescriber's Type 1 NPI is found.

Provider payments must be reconciled by the provider. For example, if the provider receives a payment from Catamaran that does not have its correct NPI, NCPDP number, name, address, prescriptions processed by provider, or other key identifiers, the provider must report the discrepancy via telephone and in writing, electronic or otherwise, to Catamaran within 14 days upon receipt.

Patient Residence Code (PRC) and Pharmacy Service Type (PST)

Patient Residence Code and Pharmacy Service Type are required for all Medicare Part D and EGWP claims and are also preferred on all Commercial claims. Please confirm that your pharmacy software system is updated to require these code submissions for all Medicare Part D claims. Claims submitted without this value populated will reject. (See NCPDP field 147-U7 – Pharmacy Service Type.)

- ▶ Valid **Patient Residence** codes at this time include:
 - 00 - Not Specified, Other Patient Residence Not Identified Below
 - 01 - Home
 - 03 - Nursing Facility
 - 04 - Assisted Living Facility
 - 06 - Group Home
 - 09 - Intermediate Care Facility/Mentally Retarded
 - 11 - Hospice
- ▶ Valid **Pharmacy Service Type** codes currently include the following values:
 - 01 - Community/Retail Pharmacy Services
 - 02 - Compounding Pharmacy Services
 - 03 - Home Infusion Therapy Provider Services
 - 04 - Institutional Pharmacy Services
 - 05 - Long Term Care Pharmacy Services
 - 06 - Mail Order Pharmacy Services
 - 07 - Managed Care Organization Pharmacy Services
 - 08 - Specialty Care Pharmacy Services
 - 99 - Other

Provider Manual Updates

As your partner in the delivery of excellent healthcare to our members, we are informing you that **Version 5.0 of the 2014 Catamaran Provider Manual** with updated information is now available on the Provider Portal.

The Provider Manual is incorporated into your *Participating Provider Agreement* "Agreement" with Catamaran. As a Provider, you are responsible for monitoring and complying with all the information set forth in the Provider Manual. Failure to adhere to any of the provisions and terms of the Agreement, which includes the Provider Manual and all other applicable documents, will be viewed as a breach of the Agreement.

The document may be accessed by a contracted Provider (this may be the pharmacy or the affiliated contracting entity such as a chain or affiliation office) by logging into the Catamaran Provider Portal at www.catamaranrx.com/Pharmacies.

The Provider Manual acts as an effective guide for accurate and compliant activity as a network pharmacy and includes the following topics:

- ▶ Provider Enrollment/Participation Instructions
- ▶ Claim Submission and Payment Information
- ▶ Provider Audit, Documentation, and Submission Requirements
- ▶ Compliance/FWA
- ▶ Credentialing and Quality Management
- ▶ Information Management
- ▶ Plan and State-Specific Provider Manual Addenda

The Provider Manual may undergo occasional updates. You maintain the requirement to meet the expectations set forth within the updated version of the Provider Manual.

Plan Updates

WellCare South Carolina Medicaid – Effective November 1, 2014

All Pharmacies contracted to adjudicate claims for WellCare South Carolina Medicaid must have a valid South Carolina Medicaid Provider ID issued by the South Carolina Department of Health and Human Services.

As of November 1, 2014, we will begin denying retail pharmacy claims for pharmacies that are not enrolled as a South Carolina Medicaid Provider.

For information about provider enrollment and to download an application, please visit the South Carolina Department of Health and Human Services (SCDHHS) website at:
<https://providerservices.scdhhs.gov/ProviderEnrollmentWeb>.

If you have any questions or need assistance in completing the enrollment documentation, please contact SCDHHS Office of Operations at 1-803-898-4614.

Processing Information:

- ▶ RxBIN: 603286
- ▶ RxPCN: 01410000
- ▶ RxGroup(s): 336257
- ▶ Member ID: WellCare subscriber ID or SC MCD assigned ID

Cigna Healthcare – Effective September 1, 2014

CIGNA Payer Solutions (a client of Catamaran Rx company) will be issuing ID cards to members with **NEW** BIN/PCN and RxGroup information. The new combination is required for processing claims for customers with updated ID cards. **Group Number** is required for all Cigna Commercial claims.

Processing Information:

- ▶ BIN: 017010
 - ▶ PCN: 05190000
 - ▶ RxGroup: Required as on card
 - ▶ Member ID: 9 digit + 2 digit person code
- Other Cigna business already migrated to RxClaim
- ▶ BIN 017010
 - ▶ PCN 05180000, 02160000, 02150000
 - ▶ RxGroup(s) Required as on card
 - ▶ Member ID: 9 digit +2 digit person code

Please ensure that this BIN and ALL 4 PCN's are set up in your systems as soon as possible to avoid member disruption. If you have any claims processing issues, call us immediately and advise the member that you will work with us directly. Contact your software vendor or chain headquarters if you do not have the BIN and PCN's in your system.

CareOregon Health Plan – Effective November 1, 2014

It is important that your pharmacy enrolls with MAP for continued participation under Oregon Medicaid. Please follow the directions detailed below. Failure to complete the following registration by November 1, 2014 may impact your Catamaran network participation in our CareOregon Medicaid Program.

Provider enrollment is required for all retail and institutional pharmacy providers to be eligible for reimbursement for services provided.

As a participating pharmacy within the Catamaran Pharmacy Network and as a provider for current Oregon Medicaid Health Plans, it is imperative that your pharmacy, along with all providers, register with the state of Oregon through the link below:

<http://www.oregon.gov/oha/healthplan/Pages/providerenroll.aspx>

To get help enrolling with MAP: Call MAP Provider Enrollment at 1-800-422-5047 or email provider.enrollment@state.or.us.

2015 Updates

Catamaran is committed to providing you with the most up-to-date information regarding 2015 changes. Be on the look-out for information regarding 2015 changes and new implementations for the coming year.

Audit Alerts

CMS Audit Requests

The information below is intended to assist in the handling of all CMS (Centers for Medicare and Medicaid Services) audit requests. Please take the opportunity to educate your pharmacy staff on the importance of complying with these CMS audits. These audits help ensure that procedures and reimbursement mechanisms are consistent with contractual and regulatory requirements.

As a participating provider in the Catamaran National Part D Pharmacy Network, you are contractually required to provide any such books and records to the Part D Plan and/or Catamaran. Additionally, CMS requires prescription records (which would include copies of prescriptions and signature logs) related to Medicare Part D beneficiaries be maintained by the pharmacies for a period of 10 years; they are to be retained in the original format for the greater of three years or the period required by state law, then may be transferred to electronic format for the remaining seven years. This requirement applies to all pharmacies filling Medicare Part D prescriptions, including LTC and home infusion pharmacies.

When there is a CMS-directed audit (such as Acumen, PDE, Financial audits), Catamaran will request information in support of the audit. It is imperative that the pharmacy expedite the response to these audits as the requirements to maintain and provide such records are directly tied to the regulatory guidance of CMS in Chapter 9. Catamaran auditors will be requesting documents to include, but not limited to:

- ▶ For retail/mail order pharmacy – original prescription record hard copy (front and back)
- ▶ For LTC – medication order required (front and back)
- ▶ Computer-generated micro-tag (if available)
- ▶ Signature log / proof of delivery log

All requested records should be emailed/faxed before the deadline provided in the CMS audit request letter to allow the client to meet their deadline to CMS or the audit entity.

As a reminder, if the pharmacy changes ownership or is closed, it is important for the pharmacy to provide Catamaran with the information necessary to continue to meet this obligation for the period required in maintenance of records (10 years as detailed above). Please notify Catamaran in writing within 10 business days of any changes in ownership or pharmacy closure with information to detail how records will be obtained for the remaining period required for the maintenance of records (Provider.Relations@catamaranrx.com or fax to 1-866-244-8543). We appreciate your participation in the Catamaran Provider Network and hope you find the above information useful. Please contact us at 1- 866-854-2945 with any questions.

Rescheduling of Hydrocodone Combinations from Schedule III to Schedule II

The information below is intended to assist in appropriate claims submission. All elements included in a claim transaction are vital for correct adjudication, determination of claim eligibility, and claim payment. Please educate your pharmacy staff on the importance of this audit topic.

- ▶ Effective October 6, 2014, the DEA has re-classified hydrocodone combination products from Schedule III to Schedule II. *
- ▶ To dispense hydrocodone combination products after October 6, 2014, the pharmacy must have a DEA registration that includes a Schedule II.
- ▶ Prescriptions for hydrocodone alone or in combination prescriptions (prescriptions containing multiple medications) must be issued on a separate prescription blank. Electronic prescribing of these products is outlined by the DEA.
- ▶ Prescriptions written prior to October 6, 2014 can utilize the remaining refills until April 8, 2015. Prescriptions written on or after October 6, 2014 cannot be refilled.
- ▶ If the pharmacy chooses not to allow for a refill during the period of October 6, 2014 - April 8, 2015, Catamaran asks that the pharmacy appropriately work with the prescriber to obtain a new prescription for the patient.
- ▶ New storage and record-keeping requirements will be in effect October 6, 2014.

Examples of affected medications are:

- ▶ Norco®,
- ▶ Lorcet®
- ▶ Lortab®
- ▶ Repraxin®
- ▶ Hycet®
- ▶ Hycodan®
- ▶ Liquicet®
- ▶ Tussionex®
- ▶ Vicodin®
- ▶ Maxidon®
- ▶ Stagesic®
- ▶ Hycomine®
- ▶ Hydrogesic®
- ▶ Xodol®
- ▶ Zydone®

Thank you for your cooperation and assistance in educating your pharmacy staff.

*79 FR 49661

*21 CFR 1306.22-1306.23, 1306.25, and 1306.27

Medicare Part D Changes for Hospice Members

On July 17, 2014, CMS distributed the HPMS memo *Part D Payment for Drugs for Beneficiaries Enrolled in Hospice – Final Revised 2014 Guidance*, which included updated hospice program requirements and clarifications. CMS recognizes sponsors will require time to implement changes to effectuate the guidance. Plan sponsors were strongly encouraged to implement as soon as possible, but no later than **October 1, 2014**.

Hospice Drug Categories

As of August 9, 2014, Catamaran updated its Medicare Part D adjudication logic to ONLY reject claims for hospice members for drugs in the following categories:

- ▶ Analgesics
- ▶ Antianxiety
- ▶ Antiemetics
- ▶ Laxatives

Claims will reject if the claim fill date is within the hospice election and termination dates in order to determine the appropriate claim payment responsibility in the following categories:

- ▶ **Hospice Benefit**
 - All drugs used to manage the patient's terminal illness or related conditions
- ▶ **Patient Liability**
 - Drug is being used for the terminal illness or related conditions, but the drug is not included on the hospice formulary
 - Drug is not medically necessary
 - Drug is waived through the hospice election
- ▶ **Medicare Part D**
 - Drug is medically necessary but unrelated to the terminal illness or related conditions

Rejected Claim Details

Claims will continue to return the following reject codes:

- ▶ A3 – This Product May Be Covered Under Hospice / Medicare Part A
- ▶ 75 – Prior Authorization Required
- ▶ 569 - Provide Notice: Medicare Prescription Drug Coverage and Your Rights

In addition, a custom secondary message will be returned:

- ▶ Hospice Provider-Request PA xxx-xxx-xxxx (phone number will differ based on plan sponsor's coverage determination department)

Pharmacy Action Required

Catamaran encourages pharmacies to work with the hospice providers or prescribers to obtain written documentation of drugs that are medically necessary but unrelated to the terminal illness or related conditions. This written documentation should then be sent to the plan sponsor (or Catamaran if review has been delegated) for A3 Rejection Override review. If the prescriber determines the drug is covered under the hospice benefit, the pharmacy should submit the claim to the hospice provider identified by the prescriber. If the prescriber is unable to make that determination, the pharmacy should provide the standardized pharmacy notice and advise the beneficiary or prescriber to contact the Part D sponsor at the telephone number in the secondary message to initiate the coverage determination request. Pharmacies may now also initiate an A3 Rejection override for members who are no longer in hospice by submitting one of the following forms of written documentation to the plan sponsor:

- ▶ If member revokes election, member provides a written statement to hospice provider including revocation effective date
- ▶ If hospice provider initiates discharge because member is no longer terminally ill, it provides a Notice of Medicare Non-Coverage (NOMNC) to member
- ▶ A NOMNC is not provided if the member is discharged for cause or because of moving out of service area. Hospice provider is expected to discharge patient back to a facility or back to primary physician and is required to provide a discharge summary
- ▶ Proof of hospice provider submission of final claim indicating revocation of hospice benefit
- ▶ Page 1 of the standardized A3 Reject Override form



Catamaran Moving to Consolidated Payments

Catamaran is excited to report that we are making strides to consolidate payment to one system. This means that you will eventually only receive one check, meaning one stop shopping for you when dealing with payment issues.

We have been working hard on this effort, and as of October 1, 2014, the next wave of clients to move to the system will be the legacy WHI clients. This change will impact all clients except Wellcare and 23 ERISA groups, which are slated to move January 1, 2015.

Payments will follow our current Catamaran schedule:

- ▶ Prompt Pay states – four times per month
- ▶ All other payments – semi-monthly

All payments for these groups will be on a Catamaran check from our corporate office. Only the remaining WHI clients will be included in your check from our Deerfield office.

If you are currently not receiving EFT or 835 from Catamaran but do receive them for legacy WHI payments made by the Deerfield office, you will need to contact the following areas to be set up in the new Catamaran system.

- ▶ EFT Setup – Pharmacy.operationsEFTsetup@catamaranrx.com
- ▶ 835 Setup – Pharmacy.Operations835Setup@catamaranrx.com

Update Your Information

Catamaran uses the NCPDP weekly files to update information in our system. Please visit www.NCPDP.org/DataQ to update your geographical information. This information is critical when it comes to contacting you, providing payment, and listing you in our directories for our members. Please take a moment to ensure we have your latest information. Thank you!

*The Catamaran Provider Relations Team is
committed to providing the best service to our pharmacy partners.*

*Provider Relations believes our pharmacies are our clients.
We want to excel in the service we provide and keep you updated on
everything you need to process claims and service our members.*

*Please **contact us** at any time
through email at provider.relations@catamaranrx.com
or by phone at 1-877-633-4701.*