

INFORMATIONAL LETTER NO. 2123-MC-FFS-CVD

DATE: March 31, 2020

TO: All Iowa Medicaid Providers

APPLIES TO: Managed Care (MC), Fee-for-Service (FFS) Coronavirus Disease (CVD)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Pharmacy Billing Services Related to Coronavirus and COVID-19

EFFECTIVE: March 18, 2020

The purpose of this Informational Letter is to provide additional guidance on pharmacy billing for covered services on an interim period for the Coronavirus and COVID-19. (After the interim period ends Medicaid will return to normal billing guidelines.)

In addition to the changes noted in [IL 2119-MC-FFS-CVD](#)¹ related to Override for Early Refill and Change to Days' Supply, and [Inhaler Latest News](#)² related to the Preferred Drug List (PDL) status change of albuterol inhalers, the following pharmacy program changes are being implemented.

- 1. Prior Authorizations (PAs)** – All pharmacy PAs expiring in the near future will be extended through June 30, 2020, to allow continuation of prescribed medications that are medically necessary when based on a valid refill from the prescriber. The IME and Managed Care Organizations (MCOs) will work on making these changes and we ask providers to be patient as these updates are made. Please contact the appropriate claims processor pharmacy helpdesk with any questions.
- 2. Member Prescription – Copayment** – The member copayment of \$1.00 for new and refill prescription drugs has been suspended. IME will be updating their system to no longer deduct copayments from prescription drug claims. MCOs do not currently deduct copayments on prescription drugs. This policy change may require some members to be credited by pharmacies for the copayments paid

¹ https://dhs.iowa.gov/sites/default/files/2119-MC-FFS-CVD_Telehealth_and_Pharmacy_Billing_COVID19_2.pdf

² <http://iowamedicaidpdl.com/sites/default/files/ghs-files/pharmacy-information-files/2020-03-24/latest-news-inhalers.pdf>

prior to the programming change. The processor will automatically reprocess the claims where a copayment has been applied and the pharmacy should track the member refund where applicable.

3. **Pharmacy Benefit Manager (PBM) Audits** – PBMs have been directed by their MCO to immediately:
 - Suspend current pharmacy audits,
 - Delay starting any new pharmacy audits, and
 - Ensure future pharmacy audits encompassing this emergency period, take into account policy changes applied to the pharmacy benefit during this period.

4. **Patient Signature** – Patient signature for receipt of medication could undermine current public health efforts to combat the spread of the coronavirus. Therefore, Iowa Medicaid, including the MCOs and their PBMs, will not require patient signatures for service documentation on delivered and picked up prescriptions during the national state of emergency due to the COVID-19 pandemic.
 - a. Pharmacists writing “COVID-19” or substantially similar language on the prescription signature or delivery logs, along with the prescription number and transaction date, shall be equivalent to receiving a signature.
 - b. Pharmacies must continue to provide patient counseling and documentation of delivery consistent with the Iowa Board of Pharmacy requirements as indicated in [Frequently Asked Questions: COVID-19](#).³

5. **Cost of Dispensing (COD) Survey** – The due date for the COD Survey has been extended to **April 30, 2020**. Questions related to the survey should be directed to the contacts noted on [IL 2095-MC-FFS](#)⁴.

Prescribers and pharmacists should consult the [Iowa Joint Board Statement](#)⁵ related to the prescribing and dispensing of hydroxychloroquine, chloroquine and azithromycin for COVID-19, as well as additional [Press Releases](#)⁶ regarding pharmacy issues during this time.

If you have questions, please contact the appropriate MCO or FFS Pharmacy Prior Authorization Helpdesk at 877-776-1567 or 515-256-4607 (local in Des Moines) or e-mail info@iowamedicaidpdl.com.

³ <https://pharmacy.iowa.gov/covid-19-guides-and-resources>

⁴ https://dhs.iowa.gov/sites/default/files/2095-MC-FFS_Pharmacy_Cost_of_Dispensing_Survey.pdf

⁵ <https://pharmacy.iowa.gov/press-release/2020-03-26/iowa-joint-board-statement-regarding>

⁶ <https://pharmacy.iowa.gov/press-releases>