



I M P O R T A N T I N F O R M A T I O N

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To All Indiana Health Coverage Programs Pharmacy Providers and All Providers Administering Injections:

Note: This information is not directed to those providers rendering services in the risk-based managed care delivery system.

- Forthcoming drug average wholesale price (AWP) adjustments have been brought to the attention of the Indiana Health Coverage Programs (IHCP) by a letter dated February 16, 2000, from the Medicaid Fraud Control Unit of the State of New York. The IHCP was advised that a current national investigation by state and federal agencies has revealed a "pattern of misrepresentation", by some drug manufacturers, of the AWP of certain products. The letter stated that, as a result of these misrepresentations, Medicaid and Medicare have substantially overpaid for the subject drugs and will continue to do so until corrective measures are implemented.

Indiana, as do most other states, relies on AWP data in calculating allowable reimbursement for dispensed (billed with national drug codes (NDCs) and administered by injection (billed with Health Care Financing Administration (HCFA) Common Procedure Coding System (HCPCS) codes) medications covered by the program. Historically, AWP data has been obtained by the IHCP fiscal contractor via a master file of all drugs, with monthly updates applied to the file. The letter advised that the current drug file vendor, First DataBank, Inc., has been cooperating with representatives of several state Medicaid Fraud Control Units in correcting the erroneously high AWP's that are currently on file for specific products.

It is the understanding of the IHCP that at some time in the very near future, and related to this remediation of incorrect AWP information, First DataBank will adjust downward the AWP of some 400 NDCs. The products to initially be impacted by the AWP corrections are generally those in the infusion, inhalation, and injectable categories. **This matter does not require any action by providers, since providers bill the program using the "usual and customary charge" for the service rendered.**

The IHCP will continue to monitor this situation and advise providers of any further developments that are relevant. Should you have any questions in the interim regarding this subject matter, please contact EDS Customer Assistance at 1-800-577-1278, or EDS Pharmacy Services, Point of Sale (POS), Prospective Drug Utilization Review (ProDUR) Help Desk at 1-877-877-5182.

- The IHCP was recently contacted by a practitioner advising that he has noted instances in which pharmacy providers did not fill his prescriptions for Senna products, purportedly based on their understanding that over-the-counter (OTC) drugs are not covered by the program. This is to clarify to pharmacy providers that Senna concentrate **is** included on the

Indiana Medicaid OTC Drug Formulary and, as such, is a covered service under the program.

To All Indiana Health Coverage Programs Providers:

- Effective April 1, 2000, new post office boxes have been identified for correspondence to EDS. Refer to provider bulletin, *BT200009, Claims Submission and New Post Office Boxes*, for specific mailing address information.
- Joy Newby and Associates, Inc., will be conducting a series of workshops for Indiana Health Coverage Programs (IHCP) providers in April and May.

Multispecialty physician and nonphysician workshops will cover Medicaid-specific Current Procedural Terminology (CPT) and Health Care Financing Administration's (HCFA's) Common Procedure Coding System (HCPCS) coding changes for 2000, Medicaid changes in the Hoosier Healthwise Program, and Package C or Children's Health Insurance Program (CHIP) implementation and coverage, and other general Medicaid information. These workshops **will not** cover transportation, pharmacy, long-term care, dental, or facility billing for hospitals or ambulatory surgery centers (ASCs). These workshops are scheduled for the following dates:

April 26, 2000	Indianapolis
May 4, 2000	Nashville
May 11, 2000	Merrillville
May 18, 2000	Evansville

Specialty workshops for eye care providers will cover medical, surgical, and routine care to Medicaid and Medicare patients. This series will be broken into two sessions.

The morning sessions will cover only medical and surgical ophthalmic services. Topics of discussion will be Medicaid CPT and HCPCS coding changes for 2000, policy updates and clarification for eye care providers, Hoosier Healthwise changes, Package C or CHIP implementation and coverage, and other general Medicaid information.

The afternoon sessions will cover Medicare Durable Medical Equipment Regional Carrier (DMERC) and IHCP billing guidelines for optical services. The single specialty workshops for eye care providers are scheduled for the following dates:

April 18, 2000	Fort Wayne
April 27, 2000	Indianapolis
May 10, 2000	Merrillville
May 17, 2000	Evansville

For additional information or a registration form, please contact Joy Newby and Associates, Inc., at (317) 577-3066. When requesting information, please specify the workshop of interest, Medicaid Update or Medicaid Update for Eye Care Providers.