

DECLARATION OF EMERGENCY

Department of Health and Hospitals
Office of the Secretary
Bureau of Health Services Financing

Pharmacy Program—Medicare Part B
Crossover Pharmacy Claims

The Department of Health and Hospitals, Bureau of Health Services Financing has adopted the following emergency rule in the Medicaid Program as authorized by R.S. 46:153 and under the provisions of the Administrative Procedure Act, R.S. 49:950 et seq. This emergency rule shall be in effect for the maximum allowed under the Administrative Procedure Act or until adoption of the final rule, whichever occurs first.

The Bureau of Health Services Financing reimburses enrolled Medicaid pharmacy providers for pharmacy services submitted on behalf of Medicaid recipients who have Medicare Part B coverage. These services are billed on a HCFA 1500 claim form. The Medicaid Program has identified drugs for which Medicare Part B is currently providing coverage and reimbursement. The bureau has determined that a cost savings will be achieved by requiring the pharmacist to bill Medicare first. Medicare claims for those Medicare covered outpatient drug services would then crossover to Medicaid reimbursement of the coinsurance up to the Medicare allowable and the deductible, if it has not been met. The bureau has determined that there is Medicaid cost-savings attributed by electing to pay co-insurance and the Medicare deductible for these pharmacy services. By cost avoiding these claims, Medicare will be the primary payor for these services and the bureau will be in compliance with Medicaid and Medicare regulations.

Emergency Rule

Effective April 8, 1996, the Bureau of Health Services Financing pays the full co-insurance and the Medicare deductible on the HCFA 1500 claims for drug services for Medicaid recipients covered by Medicare Part B.

Bobby P. Jindal
Secretary

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