



**Pharmacy Operating Guidelines
&
Information**

RxAMERICA PHARMACY BENEFIT MANAGEMENT

Pharmacy Operating Guidelines & Information

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I. QUICK REFERENCE LIST

A. Important Phone Numbers

Please feel free to contact us at:
RxAmerica
221 N Charles Lindbergh Dr. Salt Lake
City, Utah 84116
(800) 770-8014

B. DAW

DAW-0: No DAW Indicated
DAW-1: Dispense as Written by Prescriber
DAW-2: Substitution Allowed - Patient Requested Brand DAW-3:
Pharmacist DAW (same as DAW-0) DAW-4: No Generic
Available (same as DAW-0) DAW-5: Brand Dispensed, Priced as
Generic

C. Person Codes

Valid Person Codes:
001 - Cardholder
002 - Spouse
003, etc. - Child (number each child in birth order, etc.)

D. Maximum Allowable Cost

RxAmerica has established its own Maximum Allowable Costs for pharmaceutical products that will be reimbursed at a generic product rate. The MAC list includes the name of the product and the corresponding maximum allowable cost per unit that will be used to calculate the reimbursement by Payor to Pharmacy. This list is subject to periodic review and modification by RxAmerica.

E. Preferred Drug List

RxAmerica has established a list of pharmaceutical products, which may be dispensed by the participating pharmacies to enrollees in accordance with the instructions found in this manual. This list is subject to periodic review and modification by RxAmerica.

II. GENERAL OPERATING GUIDELINES

A. Enrollee Identification Cards

RxAmerica enrollees and their families will present their Employee Benefit Card. When processing prescriptions, the entire 9-digit identification number of the patient should be submitted in the cardholder ID field. The submission of a group number is not necessary. A valid relationship code is required.

Valid Relationship Codes

001 - Cardholder
002 - Spouse
003, etc. - Child (number each child in birth order, etc.)

B. Enrollee Eligibility

Eligibility Verification

Enrollee eligibility is verified through the RxAmerica on-line claims adjudication system. If you have any questions regarding enrollee eligibility, please contact the RxAmerica Provider Help Desk toll-free at (800) 770-8014.

Enrollee Without Identification Card

The pharmacy can adjudicate claims even if the enrollee does not present an ID card. Simply verify the cardholder's ID number. This information can either be obtained from the enrollee or by the member calling the RxAmerica Provider Help Desk toll-free at (800) 770-8014.

If eligibility cannot be determined through the on-line system or the toll-free RxAmerica Provider Help Desk number, and the enrollee states that he/she is eligible for benefits, the enrollee is required to pay for the prescription and submit a completed direct Member Reimbursement Claim Form, along with the receipt, to RxAmerica for payment consideration.

C. General Covered Benefits

A valid prescription order from an authorized prescriber must be on file for any item to be a covered benefit.

General Coverage Statement

RxAmerica provides benefits for Insulin and Federal Legend Drugs or State Restricted Drugs, unless specifically excluded by the sponsor. Please rely on the online system for medication coverage.

Federal Legend Drugs

A Federal Legend Drug is any drug required to bear the legend:

“CAUTION, FEDERAL LAW PROHIBITS DISPENSING WITHOUT A PRESCRIPTION.”

This includes compounded medications containing at least one ingredient which is a Federal Legend Drug as defined under the amended Federal Food, Drug and Cosmetic Act.

Injectable Medications

Injectable medications are a covered benefit when the prescription meets other plan requirements (i.e., Federal Legend or State Restricted Drugs) and not otherwise an excluded benefit (e.g., birth control).

Insulin

Insulin is to be dispensed with a days supply equal to the limits set by the enrollee's plan, but not exceeding the plan limit.

Prior Approval

Certain prescription drugs are covered by RxAmerica plans only when prior approval has been granted. Drugs that require a prior approval are plan specific. Prior approval must be obtained by calling RxAmerica at (800) 770-8014.

A new authorization number is required if the cardholder's identification number changes. In these situations, call RxAmerica for a new prior authorization number.

RxAmerica has defined three types of prior authorization requests as valid for one time only. “Vacation Request,” “Refill Too Soon because of dosage changes” and Refill Too Soon because of pharmacy error.” All other prior authorizations will have a duration specific to plan parameters.

D. Limitations

Days Supply

Maximum dispensing quantities may exceed the maximum quantity allowed by the enrollee's plan. The maximum quantity dispensed may not exceed that authorized by the prescriber.

Refill Limitations

Prescription refills are limited to the number authorized by the prescriber, but may not exceed the quantity allowed by state and/or federal laws.

E. Pharmacist's Responsibilities

A participating RxAmerica Prescription Drug Program pharmacy is under no obligation to dispense a prescription which, in his/her professional opinion, should not be dispensed.

Dispense As Written (DAW) Prescriptions

When a prescription is filled that is subject to a "DAW" request, the DAW indicator on the claim submitted to RxAmerica must reflect this DAW requirement. The following codes, per NCPDP specifications, will be used:

- 0 - No DAW
- 1 - Physician DAW
- 2 - Patient DAW
- 3 - Pharmacist DAW
- 4 - No Generic Available
- 5 - Brand Dispensed, Priced as Generic

DAW codes 3 and 4 are treated as DAW-0

Physician DAW's/Patient Requested DAW's

Prescriptions written "Dispense as Written (DAW)" or "Brand Necessary" by the prescriber or requested by the patient (where allowed by law) must be so noted on the prescription. The appropriate DAW code should be transmitted per the NCPDP specifications listed previously.

Prescriptions without DAW indicators or with DAW indicators not consistent with applicable state or federal laws will be considered not to have a DAW indicator during audits.

Prescriber DEA Numbers

Prescriber's DEA numbers are required for all prescription claims.

Refill Frequency

RxAmerica monitors the frequency of prescription refills. Prescription claims submitted with a reported days supply inconsistent with the quantity are subject to review. Prescriptions refilled at a "too frequent" interval, based on days supply reported, will be rejected. When an emergency or unusual circumstance occurs requiring that a prescription be refilled before the days supply reported with the last fill has expired, the pharmacy should contact RxAmerica to request prior approval when receiving a "Refill Too Soon" rejection.

Days Supply

Pharmacists are required to dispense the quantity of medication prescribed to which an enrollee is entitled.

The correct days supply must be recorded on all claims submitted.

For oral dosage forms, the days supply must equal the units dispensed divided by the daily dosage.

III. CLAIM SUBMISSION

A. Claims Submission

All prescriptions filled for RxAmerica enrollees must be submitted to RxAmerica regardless of adjudication status. This includes prescription for enrollees in which no reimbursement from the plan is due to the pharmacy. RxAmerica performs drug utilization reviews for all of its enrollees. In order for all prescriptions filled for RxAmerica enrollees **must** be submitted to RxAmerica regardless of this review to have its maximum beneficial impact, all prescriptions filled for an enrollee must be available. The submission claims of RxAmerica must be through the RxAmerica on line claims adjudication system.

CLAIMS SUBMITTED MORE THAN 7 DAYS AFTER PRESCRIPTION WAS DISPENSED WILL NOT BE HONORED. To submit claims to RxAmerica:

1. Contact your software vendor
2. Inform your vendor that you want to submit claims to RxAmerica
3. Claims must be submitted to RxAmerica through National Data Corporation (NDC), Envoy (WEBMD), QS-1 or ERX Networks
4. RxAmerica accepts NCPDP Version 5.1 BIN number is **610473**
5. Cardholder identification number is a nine (9) digit social security number on the RxAmerica card or other member ID
6. Member numbers are as follows:
001 - Cardholder
002 - Spouse
003, etc. - Children (in birth date order - oldest to youngest)
7. Group numbers are not necessary when submitting claims to RxAmerica. 9. Physician DEA number is required
8. Submit "test" claims to RxAmerica using the following information: **Test Information**

BIN:	610473
NABP:	9909989
Cardholder ID:	123456789
Member Code:	001
Help Desk:	(800) 770-8014

Your vendor may call RxAmerica at (800) 770-8014 for information related to electronic set-up.

B. Processing Compounded Prescriptions

When processing multiple ingredient compound medications, it is required that the pharmacy submits an NDC number of 00000-0000-00 for the multiple ingredients to adjudicate correctly in the system. Listed below is an example of which NCPDP fields should be sent in order to submit a compound claim.

Field #	Field Name	Value
407-D7	Product Service ID (NDC Number)	00000-0000-00
447-EC	Compound Ingredient Components (number of ingredients)	01,02,03, etc.
448-ED	Compound Ingredient Quantity	Quantity
449-EE	Compound Ingredient Drug Cost	\$\$\$
451-EG	Compound Dispensing Unit Form Indicator	1=EA 2=ML 3=GM
452-EH	Compound Route of Administration	0 through 22 See NCPDP Data Dictionary
488-RE	Compound Product ID Qualifier	03=NDC
489-TE	Compound Product Service ID (Ingredient NDC Number)	NDC Number
490-UE	Compound Ingredient Basis of Cost	01 through 09 See NCPDP Data Dictionary

The information listed above should be sent for each ingredient with the exception of field 407-D7, this field is only submitted once.

C. Rejected Claims

Rejected claims may be resubmitted, following correction, in the same manner as original claims. Rejected claims submitted on-line as an adjustment cannot be processed.

D. Claim Adjustments

Adjustments to claims must be submitted on the Universal Claim Form within 90 days from the date of remittance to the pharmacy by RxAmerica.

Adjustments for overpayment or underpayment must be submitted on the Universal Claim Form.

Adjustments should not reflect amounts already paid by RxAmerica. (The ingredient cost submitted should be for claim as if nothing had been previously paid by RxAmerica.)

In addition to standard claim information required, the following must also be included:

- Signature of an authorized pharmacy representative.
- RxAmerica claim number. This RxAmerica assigned number is available from the Remittance Advice. Claims submitted for adjustment without a claim number cannot be processed.
- Brief explanation for the adjustment request.

Electronically submitted adjustments will be rejected. Processed adjustments appear on the pharmacy's Remittance Advice.

E. Claim Reversals

Claim reversals can be accomplished through the RxAmerica system, by an RxAmerica service representative or by submitting an adjustment as detailed above.

F. Down-Time Submission Procedures

During periods when on-line claim submission is not possible, RxAmerica Prescription Drug Program pharmacy enrollees should be serviced in the following manner:

- If the enrollee is a new customer and presents a valid Employee Benefit Card, fill the prescription for a one or two day supply of medication and ask the enrollee to return the next day for the remainder of the prescription.
- If the enrollee is a new customer and does not present a valid Employee Benefit Card, call the

RxAmerica Help Desk at (800) 770-8014 to verify eligibility and receive further instructions from an RxAmerica Member Service Representative. Please obtain the identification number of the cardholder and the date of birth of the enrollee for whom the prescription is to be filled before calling.

When on-line submission is interrupted and it is not possible to submit claims at a later time through the RxAmerica system, claims may be submitted on magnetic tape or Universal Claim Forms.

IV. CLAIMS PROCESSING

A. Ingredient Cost

The basis for calculating the ingredient cost of a claim is defined in the pharmacy's Affiliation Agreement. Average Wholesale Price, or AWP, shall mean the list ingredient price for a pharmaceutical as established by MediSpan.

B. Dispensing Fees

RxAmerica dispensing fees are indicated in the pharmacy's Provider Agreement.

C. Remittance Advice

All approved claims submitted are reported in complete detail to the pharmacy.

NOTE: Claims denied through the RxAmerica on-line claims adjudication system do not appear on the Remittance Advice.

In addition to various data elements submitted by the pharmacy, the Remittance Advice includes the amount of the RxAmerica ingredient cost, dispensing fees, sales tax, if applicable, enrollee copayments, claim disposition code (reject or payment), data transmission charge, claims status and net amount paid.

V. PROVIDER COMPLIANCE

RxAmerica conducts routine audits of affiliated pharmacists to determine level of compliance with Operating Guidelines and the Affiliation Agreement. Pharmacies are continuously monitored with respect to the following items:

1. Percentage of controlled substances dispensed
2. Number of claims filled per contract
3. Average ingredient cost

Pharmacies selected for audit are notified via certified mail. The pharmacy is then contacted by the auditor to schedule an appointment. During the audit, the pharmacy will be required to have available prescriptions and/or invoices for the time period specified in the audit letter. The auditor may take photographs of prescriptions reviewed. Upon completion of the audit, the pharmacy will be counseled regarding any issues, if discovered by the auditor.

A complete evaluation of the items reviewed will be completed by RxAmerica. The results of the evaluation will be communicated to the pharmacy in a timely manner.

A. Signature Logs

RxAmerica Prescription Drug Program pharmacies are required to maintain a log of signatures of enrollees or their representatives, receiving prescriptions. The log must contain:

1. The date the prescription was picked up by the enrollee or his/her representative.
2. The prescription number
3. The signature of the enrollee to whom the prescription was dispensed or their representative.

The signature log must be kept by the pharmacy for a period of at least two years or according to governing law and must be made available to RxAmerica representatives upon request.

Any claims submitted to RxAmerica for reimbursement for which a valid entry in the pharmacy's signature log cannot be obtained will not be considered valid. Reimbursement made to the pharmacy for such a claim will be recovered.

B. Claim Reversals

Prescriptions billed to RxAmerica which are not picked up by the enrollee must be canceled by the pharmacy. Claims in the current remittance cycle will be reversed and no payment made to the pharmacy. A reversal for a previously paid claim will result in the withholding of the amount of the previously paid claim on the next Remittance Advice.

Pharmacies may cancel previously billed claims by initiating a reversal on the RxAmerica system or by submitting appropriate information to RxAmerica identifying the claim which has been paid and indicating that the claim should be canceled.

C. Other Requirements

Pharmacies are required to:

1. review the concurrent DUR messages and take appropriate action.
2. substitute generic products, when available.
3. counsel patients about their medications and their therapy compliance
4. prohibit from independently implementing therapeutic substitution or utilization management programs.

VI. PROGRAM ASSISTANCE & COMMUNICATION

A. Program Assistance

RxAmerica staff members are available for defining and clarifying program-related inquiries, billing, and benefit eligibility requirements. All inquiries are handled promptly through the RxAmerica system.

All pharmacy calls should be directed to the RxAmerica Provider Help Desk at: **(800) 770-8014**

The system will prompt the caller to make appropriate selections in order to connect with the desired area(s):

1. Eligibility verification
2. Pharmacy interested in joining our network
3. RxAmerica on-line claim submission assistance
4. Prior authorization

B. Correspondence & Claim Submission

Correspondence with the RxAmerica program should be directed to:

RxAmerica LLC
221 N. Charles Lindbergh Dr.
Salt Lake City, UT 84116

VII. RxAMERICA PREFERRED DRUG LIST

It should be noted that this list is not meant to be all-inclusive. The drugs listed are in the most commonly used therapeutic classes. The preferred list process is on-going and changes can occur at any time. Providers will be notified periodically of these changes.

A "Value Index" is used to express the relative cost of the medications within a category. This cannot be translated directly to a dollar amount, but the greater the number of dollar signs, the more costly the product.

The intent of this list is to improve the quality of care and the cost-effectiveness of the prescription drug benefit. This is a recommended, **not** a mandatory, formulary, unless specified by plan parameters. The success of this program will depend heavily on the level of participation. We

appreciate your support in providing professional service to the RxAmerica enrollees.

VIII. MAXIMUM ALLOWABLE COST

RxAmerica has established their own Maximum Allowable Costs for pharmaceutical products that will be reimbursed at generic product rates. The MAC list includes the name of the product, the corresponding maximum allowable cost per unit that will be used to calculate the reimbursement by Payor to Pharmacy when plan parameters indicate use of RxAmerica's MAC. This list is subject to periodic review and modification by RxAmerica.

IX. MAINTENANCE DRUGS

RxAmerica has identified drugs that are considered maintenance medications. When plan parameters indicate the use of RxAmerica's Maintenance Drug List, this list will be used. This list is subject to periodic review and modification by RxAmerica. Providers will be notified of these changes.