

# PACE/CRDP PROVIDER BULLETIN

May 17, 2017

## SHORT CYCLE CLAIMS REPROCESSING

On January 1, 2013, CMS (Centers for Medicare and Medicaid Services) required all pharmacies that dispensed prescription medications to patients enrolled in either a Part D Plan (PDP) or a Medicare Advantage plans (MA-PD) *and* who live in long-term care (LTC) facilities to dispense brand-name drugs with no greater than a 14 day supply.

This mandate superseded the PACE requirement of billing nursing home cardholders only once every thirty (30) days with one (1) copay per month. The result was that claims received that were identified by the provider as being “short cycle” still had the PACE/PACENET or CRDP copay applied. In February 2014, short cycle logic was implemented.

A review of claims submitted from January 2013 to February 2014 resulted in the reprocessing of approximately 20,000 claims. Approximately 100 pharmacies were affected with the vast majority being those providers specializing in serving cardholders residing in a nursing facility. The claims were reprocessed to permit correct short cycle adjudication thereby identifying the amount due to the cardholder. This reprocessing resulted in the provider receiving reimbursement of the cardholder’s copay as shown on the individual claim detail. These claims will be included in the R/A dated June 9, 2017. This overpayment of the copay has been deducted and appears as a negative amount on the 835 of June 15 as “Short Cycle CH (*Cardholder*) Copay. In June, Magellan Health Services will mail checks with the reimbursed copayments accompanied by an explanatory letter from the Department of Aging to the affected cardholders.

The end result is that providers are not negatively affected by this reprocessing.

Questions may be directed to Provider Services at 1-800-835-4080.