



STATE OF MARYLAND
DHMH

Maryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Joshua M. Sharfstein, Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM
Pharmacy Transmittal No. 199
MCO Transmittal No. 102
October 16, 2014

TO: All Pharmacy Providers
Managed Care Organizations

FROM: Susan Tucker, Executive Director, Office of Health Services
Susan J. Tucker
Athos Alexandrou, Director, Maryland Medicaid Pharmacy Program
Athos Alexandrou

RE: Basis of Cost Determination field **Required** for drugs purchased under the 340B Discount Program when billing the Maryland Medicaid Pharmacy Program (MMPP), the Kidney Disease Program (KDP), and the Breast and Cervical Cancer Diagnosis and Treatment Program (BCCDT) and Hospital Presumptive Eligibility

NOTE: **Please ensure that the appropriate staff members in your organization are informed of the content of this transmittal.**

340B Drug Discount Program

The 340B Drug Discount Program is a federal program that requires drug manufacturers to provide covered outpatient drugs to certain eligible 340B-enrolled entities at significantly reduced prices. For drugs that are purchased under the 340B Program, MMPP, KDP and BCCDT are prohibited from claiming drug rebates as doing so would subject the drug manufacturers to duplicative discounts¹.

Effective November 1, 2014, pharmacies dispensing drugs purchased under the 340B Program must flag 340B claims at the Point of Sale by entering a value of 08 in the Basis of Cost Determination field (423-DN) in the NCPDP D.0 transaction in order to facilitate exclusion from the State's manufacturer rebate requests. The payer sheets for MMPP, KDP and BCCDT are available at: <http://www.mdrxprograms.com/home.html>

Questions concerning this transmittal should be directed to the Maryland Medicaid Pharmacy Program at (410) 767-1455.

¹ 42 USC 256b(a)(5)(A)(i) prohibits duplicate discounts; that is, manufacturers are not required to provide a discounted 340B price and a Medicaid drug rebate for the same drug

Hospital Presumptive Eligibility

Maryland Medicaid launched the Hospital Presumptive Eligibility (HPE) program in early October 2014. HPE allows qualified hospitals to make immediate, temporary Medical Assistance (MA) coverage determinations.

HPE provides temporary MA, with full MA benefits, to the ACA populations—children, parents, single adults under 65, and pregnant women—for up to 60 days. HPE enrollees are not enrolled in managed care organizations (MCOs) until they receive a full MA determination.

Approved HPE applicants will receive an HPE Approval Notice as proof of coverage. They will not receive a regular red and white card. If the participant presents you with an HPE Approval Notice, verify enrollment as usual, using the Eligibility Verification System (EVS), on the date of service. Please see the attached HPE Approval Notice for reference.

For information about HPE, visit dhmh.maryland.gov/hpe.

Submit questions about HPE to dhmh.hpe@maryland.gov.

Appendix A: Approval Notice

Hospital Presumptive Eligibility Program

HOSPITAL PRESUMPTIVE ELIGIBILITY NOTICE OF APPROVAL

Patient name: _____
Medical Assistance ID #: _____

YOUR **TEMPORARY** HEALTH COVERAGE PERIOD BEGINS: XXXXXXXX
YOUR **TEMPORARY** HEALTH COVERAGE PERIOD ENDS: XXXXXXXX

WHY YOU ARE RECEIVING THIS NOTICE

You qualify for Hospital Presumptive Eligibility (HPE) through the Maryland Medical Assistance (MA) Program. HPE provides **temporary** health coverage. HPE offers full access to all benefits under Maryland Medicaid Fee-for-Service *for a limited time only*. Present this notice as *proof of coverage* during this temporary coverage period.

HOSPITAL PRESUMPTIVE ELIGIBILITY IS NOT A FINAL DETERMINATION FROM THE MEDICAID AGENCY

To determine your eligibility beyond **END DATE**, you must take action.

- For consideration to receive full MA coverage beyond the end date above, you must complete the MA application.
- The hospital can help you complete the full MA application. You can apply any time online at <https://marylandsail.org> or by visiting a local connector entity, health department or department of social services. You can also apply by calling Maryland Health Connection Consumer Support Center at 1-855-642-8572 (TTY 1-855-642-8573).
- If we do not receive your full MA application by _____, you will have a gap in coverage.
- Completing the full MA application does not extend this temporary coverage, but may qualify you for full coverage.
- If you submit a full MA application before _____ and you are not found eligible, your temporary coverage will end on XXXX.

Issued by: HOSPITAL NAME
Authorized HPE Representative: XXXXXX
HPE Representative Email: XXXXXX

Notice to providers: Please use the Medical Assistance Eligibility Verification System (EVS) to check the MA ID number above prior to delivering services. Health care providers with questions may email dhmh.HPE@maryland.gov.