



June 27, 2016

# Montana Healthcare Programs Notice

## Pharmacy

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### Reminder

## Reverse and Rebill for Drug Cost Disputes

Montana Healthcare Programs allow pharmacy providers to reverse and rebill a pharmacy claim when necessary. One of the reasons to reverse and rebill a claim is when a price increase to a drug is completed retroactively. A retroactive price change can occur when a manufacturer updates a drug cost, or when a drug cost dispute is received and a cost adjustment is completed. Below are some steps to take when a drug cost dispute is found.

### Pricing Dispute

- A provider may submit a drug cost dispute when a claim is submitted to the Department and the reimbursement amount is less than the cost of obtaining the drug.
- A drug cost dispute can be submitted online.
  - <http://dphhs.mt.gov/MontanaHealthcarePrograms/MedicaidRxAAC Pricing/RxPricingInquiry>
- When submitting a drug cost dispute, **a copy of your invoice is required**. If an invoice is not attached, the dispute will not be researched.
- The Department will receive notice that a drug cost dispute has been submitted, and will begin researching the issue. The research results can produce several different outcomes:
  - If the rate is deemed appropriate, the drug cost will not be modified.
  - If the drug cost stems from the CMS established Federal Upper Limit rate, the Department is unable to adjust the cost. For more information on the CMS Federal Upper Limit Rates, please see: <https://www.medicaid.gov/medicaid-chip-program-information/by-topics/benefits/prescription-drugs/federal-upper-limits.html>.
  - If the drug claim paid at Wholesale Acquisition Cost, the Department is unable to modify the reimbursement.
  - If the drug cost is deemed inappropriate, the cost will be modified.
- When a drug cost change is made, a retroactive effective date may be utilized. Due to restrictions with pricing data, the earliest the retroactive cost can be effective is the day after the current effective date.
  - This date limitation may result in some claims not being able to be reversed and rebilled for improved reimbursement. Given this, it is critical to dispute a price discrepancy as soon as it is identified.

## **Contact Information**

If you have any questions regarding this provider notice, please contact Katie Hawkins at 406.444.2738 or via email at [khawkins@mt.gov](mailto:khawkins@mt.gov) or Dave Campana at 406-444-5951 or via email at [dcampana@mt.gov](mailto:dcampana@mt.gov).

For claims questions or additional information, contact Provider Relations at 1-800-624-3958 (toll-free, in/out of state) or (406) 442-1837 (Helena) or via e-mail at [MTPRHelpdesk@xerox.com](mailto:MTPRHelpdesk@xerox.com).

Visit the Provider Information website at <http://medicaidprovider.mt.gov>.