Effective Immediately

Third Party Payer - Negative Payment Amounts

The purpose of this provider notice is to inform Pharmacy Providers of the Department’s policy regarding negative dollar third-party payer amounts resulting from click fees or PBM clawbacks.

If a pharmacy receives a negative amount from the primary insurance and a member has Medicaid as secondary, the pharmacy must bill with the following, to receive payment from the Department:

- Other Coverage Code =4, defined as Other Coverage exists – payment not collected – NCPDP field (308-C8)
- Other Payer Amount - NCPDP field (431-DV) = $0.00

Montana Medicaid will not approve a claim with a negative amount or bypass the primary insurance to eliminate the negative amount. In addition, providers are reminded that aside from a member copayment, payment from Medicaid is payment in full. Negative amounts may not be passed on to Medicaid members. Reference Administrative Rules of Montana 37.85.406(11).

Please note: This policy is strictly for the standard pharmacy benefit and does not apply to Medicare Part D members, as Medicaid is not billed as a secondary.

Contact Information

If you have any questions, please contact:

Dani Feist, Pharmacy Program Officer, email dfeist@mt.gov or telephone (406) 444-2738 or
Shannon Sexauer, Medicaid Pharmacist, email shannon.sexauer@mt.gov or telephone (406) 444-5951

For additional information, contact Montana Provider Relations at (800) 624-3958 or (406) 442-1837 or email MTPRHelpdesk@conduent.com.

Visit the Montana Healthcare Programs Provider Information website at www.medicaidprovider.mt.gov.