



U S Steel Tower Floor 41 • 600 Grant Street • Pittsburgh, PA 15219-2704 • 412-255-4640

MEMORANDUM

Date: July 6, 2011
To: Provider Network
From: Provider Relations Department
Re: Billing Guidelines for Drugs that Qualify for MCO Rebates

The Department of Public Welfare (DPW) released Managed Care Operations Memo HCALL – 10/2010-017 pertaining to the extension of the federal drug rebates to Medicaid Managed Care Organizations (MCO) under the Patient Protection and Affordable Care Act (PPACA). This memo provides the new requirements for submitting claims to Gateway Health Plan® for drugs that qualify for MCO rebates.

Beginning **July 6, 2011** all drug-specific claim information reported to Gateway using the 837P format **MUST** be reported with a HCPCS code, such as a J-Code, AND an NDC code. Claims submitted without both the appropriate HCPCS Code and NDC will be **rejected** by Emdeon.

Practitioners must be diligent in reviewing all acceptance/rejection reports to identify claims that may not have successfully been accepted by Emdeon, and Gateway. To assure that claims have been accepted via EDI, practitioners should receive and review the following reports on a daily basis:

Emdeon – Provider Daily Statistics (RO22)
Emdeon – Daily Acceptance Report by Provider (RO26)
Emdeon – Unprocessed Claim Report (RO59)

If you are not already submitting claims electronically, we encourage you to take advantage of our electronic claims processing capabilities. Submitting claims electronically offers the following benefits:

- Faster Claims Submission and Processing
- Reduced Paperwork
- Increased Claims Accuracy
- Time and Cost Savings

For information on submitting electronic claims to Gateway refer to our Provider Office Policy and Procedure Manual located at www.GatewayHealthPlan.com and/or contact your EDI vendor. If you have any questions pertaining to this memo please contact your Provider Relations Representative or the Provider Services Department at 1-800-392-1145.