


Letter of Direction #78-1

Date: March 24, 2022

To: Centennial Care 2.0 Managed Care Organizations

From: Nicole Comeaux, Director, Medical Assistance Division 

Subject: MCO Requirements Regarding Parity of Reimbursement for All Services Provided by a Pharmacist Clinician and Pharmacist with Prescriptive Authority Repeal and Replace LOD 78

Title: Pharmaceutical Service Reimbursement Parity

The purpose of this Letter of Direction (LOD) is to provide the Centennial Care Managed Care Organizations (MCOs) with information on the requirements in accordance with House Bill 42, Pharmaceutical Service Reimbursement Parity. MCOs shall be required to provide parity of reimbursement for all services provided by a Pharmacist Clinician (Ph.C.) and a Pharmacist with prescriptive authority who issue drug items billed through point-of-sale, or as HCPCS or CPT codes to the New Mexico Medicaid programs in an office, clinic, pharmacy, hospital, or any outpatient hospital settings.

Billing Requirements

Ph.C.s not licensed for independent practice are not paid directly. Reimbursement is made to the supervising provider or entity under which the extender works. See NMAC 8.310.3.11, Section C, 4, link below. Ph.C.s must enroll with the New Mexico Medicaid program. The purpose for required enrollment is so the Ph.C. can be identified as the rendering provider on the billing form.

https://www.hsd.state.nm.us/wp-content/uploads/files/Providers/New%20Mexico%20Administrative%20Code%20Program%20Rules%20and%20Billing/NMAC%20Program%20Rules/Chapter%20310/8_310_3-Revised.pdf

Reimbursement for Pharmacist Clinicians (Ph.C.)

Reimbursement shall be paid to the Pharmacist Clinician or entity at the same rate that is paid to a licensed physician, physician assistant (PA), or advanced nurse practitioner (NP) for the same service. The Ph.C.'s NPI is entered in the area designated for the Rendering Provider NPI and the supervising physician's NPI is entered in the billing provider information and the Service Facility NPI can also be listed in the Service Facility Location Information.

Reimbursement for Services Provided by Pharmacists with Independent Prescriptive Authority

Reimbursement for services provided by a pharmacist with independent prescriptive authority shall be paid at the rate that is paid to the billing provider. The billing provider must bill using the appropriate billing form.

New Mexico law allows pharmacists to be certified to prescribe in areas such as hormonal contraception, tobacco cessation, immunizations, Naloxone drug therapy, tuberculosis testing (serum prescribing, administration and follow up reading are included as a single submission), and HIV Post-Exposure Prophylaxis (PEP) therapy, in accordance with the written protocols approved by the NMBOP. Pharmacists with prescriptive authority often work in a retail setting and do not provide services under the supervision or direction of a physician. However, prescriptive authority shall be limited to those drugs, TB tests and vaccines delineated within-currently approved and future NMBOP written prescriptive authority drug therapy protocols.

For Point-Of-Sale (POS) Pharmacy Billing

A pharmacy billing for services provided by pharmacists with prescriptive authority will bill using the following:

- The pharmacist's NPI in the prescriber NPI field with the NDC for the prescribed product,
- a valid quantity dispensed and appropriate days' supply,
- with the corresponding preventative medicine counseling and/or intervention service performed.

This would be approximately a 15-minute session billed at the updated Medicare reimbursement methodology.

Counseling sessions are not limited to 15 minutes, and providers should apply the appropriate quantity to reflect time spent as accurately as they are able to in 15-minute increments. Reimbursement will include the calculated cost of the prescribed drug, a professional dispensing fee and a submitted patient assessment clinical service payment at the most current fee schedule or the MCO's provider contracted rate equivalent to procedure code 99401 (Preventive Medicine Counseling, approximately 15 minutes) with no monthly or annual limit. The clinical service payment is intended to reimburse the pharmacy for the pharmacist prescribing and preventive medication evaluation and counseling of the determined drug therapy provided.

When a counseling session is provided at a pharmacy without dispensing a drug, the Preventive Medicine Counseling can be billed on a CMS-1500 under pharmacy provider type 416 with the procedure code for medication therapy management services by a pharmacist for assessments and interventions (Procedure Code 99605 New Patient or 99606 Established Patient) up to the initial 15 minutes and each additional 15 minutes (Procedure Code 99607).

MCOs are required to have their PBMs update their claims processing systems to allow for billing and payment via pharmacy POS and the medical benefit based on the information provided in this LOD. MCOs are required to have system implementations completed within 90 days of receipt of this LOD and must notify HSD when implementation has been completed and claims are processing for payment.

This LOD will sunset upon inclusion in the Managed Care Policy Manual.

If you have questions regarding this LOD, please send to your Centennial Care Contracts Bureau Contract Manager to obtain a response from the Benefits and Reimbursement Bureau.