



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
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DEPARTMENT OF HUMAN SERVICES  
CHARLES J. KROGMEIER, DIRECTOR

## INFORMATIONAL LETTER NO. 915

**DATE:** June 28, 2010  
**TO:** Iowa Medicaid Pharmacists and Pharmacy Providers  
**ISSUED BY:** Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)  
**RE:** Pharmaceutical Case Management (PCM) and Medicare Coverage  
**EFFECTIVE:** August 1, 2010

In May of 2009, Informational Letters number 801 and 802 announced a switch to the use of "HCPCS" codes for the billing of PCM services. There was no change to the program or covered services: the new codes simply replaced local codes (used for Iowa Medicaid only) that were no longer technically consistent with CMS-HIPAA coding requirements. This change has resulted in some provider questions about the program, including a point below regarding Medicare Part D coverage that IME would like to make clear.

### **Medicare Part D and Medication Therapy Management (MTM)**

Like PCM, Medicare MTM is a benefit designed to assist patients at high risk of experiencing adverse effects from their medications and/or manage their total medication regimen for complex pharmaceutical needs. With the passing of the Medicare Modernization Act (MMA) of 2003, all Medicare Advantage and Prescription Drug Plan providers offering Medicare Part D benefits are required to provide MTM services to beneficiaries. Because the coverage objectives are the same as PCM, Medicare MTM is considered to be the same coverage as Medicaid PCM. CMS has clarified that Iowa Medicaid should not include "dual eligible" members (having both Medicare and Medicaid) in PCM services because they are mandated to receive their drug coverage through Medicare Part D (which includes the MTM benefit).

### **Previously approved claims for Dual Eligible Members**

Until this clarification with CMS was initiated, IME had approved some "dual eligible" members for PCM. As of May 1, 2009, the IME stopped approving PCM services for members with Medicare D primary. However, the IME still continued to pay PCM claims for those members with Medicare D who were previously approved by IME for PCM services.

Effective August 1, 2010, the IME will no longer pay PCM services for these "dual eligible" members who were previously approved. Some insurance (TPL) and all Medicare D plans already cover this type of service.

### **Verifying Member Eligibility**

The provider is always responsible for verifying Medicaid eligibility and any other coverage when rendering services. If the member becomes eligible for Medicare (or other insurance) while receiving Pharmaceutical Case Management (PCM), primary coverage of the service may change. Approval for PCM service does not guarantee that coverage of the service is with Medicaid.

The IME appreciates your partnership as we work together to serve the needs of Iowa Medicaid members. If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, locally (in Des Moines) at 515-256-4609 or by e-mail at [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).