



Answers to Frequently Asked Questions Regarding SXC Pharmacy Contracts

TPA has received numerous calls from pharmacies regarding new pharmacy contract information received from SXC Health Solutions, the company that will begin serving as the TennCare Pharmacy Benefit Administrator effective October 1, 2008.

SXC, at the direction of the TennCare Bureau, is inviting pharmacies to participate in either the TennCare Ambulatory/LTC Pharmacy Network or the TennCare Specialty Pharmacy Network. An individual pharmacy can only sign up to participate in one of the two networks and can not participate in both networks. The contracts being offered by SXC and the process being used to enroll network pharmacy providers were developed and approved by TennCare and the State of Tennessee.

The deadline to return the required completed and signed documents is September 8, 2008. TPA is providing the following information in answer to the questions most frequently received at the TPA office.

Question: *If my ambulatory or long-term care pharmacy decides to participate in one of these networks, is it critical that the pharmacy return the required contract information by September 8, 2008? What happens if we miss that deadline?*

Answer: If a pharmacy decides to participate, it is important that the pharmacy return the required documents by the September 8, 2008, deadline. Non-contracted pharmacies will receive lower reimbursement for pharmacy claims compared to contracted network pharmacies. If the pharmacy misses the deadline and decides later to sign up as a network provider, the pharmacy will be able to join the network, but all prescriptions dispensed by the pharmacy in the interim will be paid at the lower non-network rate until your pharmacy can be added to the list of network pharmacy providers. There will be no retroactive reimbursement for the difference in the rate for prescriptions dispensed in the interim time period.

Question: *Our pharmacy is an ambulatory care pharmacy, and it does dispense some of the prescription drugs that are listed on the Specialty Pharmacy network medication list to our patients, yet our pharmacy can only sign up for one network. Will our pharmacy continue to be able to provide prescriptions for these medications to our patients?*

Answer: Yes, a contracted pharmacy provider in the Ambulatory and Long Term Care Pharmacy Network will be able to dispense those medications and will be reimbursed at the same rates as the specialty network providers. (This is true for both ambulatory and long term care pharmacy providers.)

Question: *For the Ambulatory and Long Term Care Pharmacy provider network, is the reimbursement rate the same as the current TennCare pharmacy reimbursement?*

Answer: Our understanding per the TennCare pharmacy program is that the basic reimbursement rate will remain the same, with the exception that the reimbursement rate for drugs included and covered under the Specialty Drug Program will change. Also, as has been the policy, from time to time, MAC rates for individual drug products may change.

Question: *Will there be changes in the TennCare Pharmacy Program formulary?*

Answer: As has been the custom of the program, TennCare will continue to review and make changes to the pharmacy formulary.

Pharmacies are urged to carefully review the program and make their decisions so that if they decide to participate, the required documentation can be returned by the September 8, 2008, deadline.

TennCare Dual Eligible Part B Crossover Payments

TPA is aware of the existing issue regarding Medicaid crossover payments for products and services provided to Medicare-TennCare dual eligibles. TPA is currently investigating this situation and will let its members know what develops as soon as possible.

Reminder: Notify Before Substituting Anti-Epileptic Drugs

In light of a complaint received from a neurologist at Vanderbilt regarding generic substitution for Lamictal (lamotrigine), the Tennessee Pharmacists Association reminds pharmacists about the law passed in 2007 concerning substitution of anti-epileptic drugs. As a result of this law, effective July 1, 2007, a pharmacist, pharmacy intern or pharmacy technician is required to PROVIDE NOTIFICATION to the patient or his/her representative (a family member, other relative, close personal friend, or any other person identified by the patient) BEFORE interchanging one manufacturer of an anti-epileptic drug for another manufacturer of an anti-epileptic drug, in instances where the patient's epilepsy or seizures are currently being controlled on a specific drug, strength, dosage form, and dosing regimen from a specific manufacturer. This includes substitution of a generic version for a brand version, a brand version for a generic version, or a generic version for a generic version by a different manufacturer.

The PRESCRIBER of the medication MUST ALSO BE NOTIFIED. Be certain to document in your pharmacy records that notification was provided to both the patient (or representative) and the prescriber.

Note: There is no requirement to get permission to substitute, if permission has already been granted in accordance with Tennessee substitution laws. The only requirement is for notification.

[Important Exemption: This law does not apply to prescriptions dispensed for inpatients of a hospital, nursing home or assisted care living facility, or for inpatients or residents of a mental health hospital or residential facility.]

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PROVIDING INDEPENDENT PHARMACY WITH THE TOOLS TO STAY COMPETITIVE

