



MARYLAND MEDICAID PHARMACY PROGRAM

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ADVISORY

In an effort to give timely notice to the pharmacy community concerning important pharmacy topics, the Department of Health and Mental Hygiene's (DHMH) Maryland Pharmacy Program (MPP) has developed the Maryland Pharmacy Program Advisory. To expedite information timely to the pharmacy and prescriber communities, an email network has been established which incorporates the email lists of the Maryland Pharmacists Association, EPIC, CARE, Long Term Care Consultants, headquarters of all chain drugstores and prescriber associations and organizations. It is our hope that the information is disseminated to all interested parties. If you have not received this email through any of the previously noted parties or via DHMH, please contact the MPP representative at 410-767-1455.

**Maryland Medicaid (MA)
Kidney Disease Program (KDP)
Breast and Cervical Cancer Diagnosis and Testing Program (BCCDT)
Maryland Aids Drug Assistance Program (MADAP)**

Drug's rebate status, DESI designation and obsolete date

Effective May 6, 2009, all the Maryland Pharmacy Programs listed above, implemented some changes in how drugs are designated. Data in the Point of Sale Electronic claims processing system about each NDC's federal rebate status, DESI designation and termination date is now being obtained from Centers for Medicare and Medicaid Services (CMS). Previously, First Data Bank provided this data. Using CMS as the source assures that a drug's new status is up-dated in a more timely fashion.

Maryland Medicaid is adding some exception codes, based on the information from CMS, to deny claims for non-rebatable drugs, drugs that have lost their DESI status and obsolete drugs. These new codes, shown in the following table, are more specific and accurate. One of the exception codes previously used (4117) is being retired.

	Exception code	NCPDP reject code	NCPDP text	Short description	Long description
Rebate Status	4102	70	Product Not covered	No rebate for NDC per CMS	The NDC is determined to have no federal rebate, and Medicaid is, with a few specific exceptions, not permitted to cover drugs not included in a signed rebate agreement in place as of the date of service.
	4617	AC	Product not covered	Non-participating manufacturer	No CMS/Labeler rebate contract
	4117			Code no longer in use by Maryland Medicaid	
NDC obsolete/termination date	4173	77	Discontinued Product ID Number	Discontinued NDC Number - HCFA	Code posts whenever the date of service is later than the FDA's obsolete date.
DESI	4113	70	Product not covered	DESI per CMS or FDB	NDC is deemed less than effective by CMS or FDB and the Plan does not cover DESI drugs.
	4137	70	Product not covered	DESI per FDA	NDC is deemed less than effective by FDA. FDA DESI code = 1