

PACE

Provider Bulletin

May 29, 2009

Validity of Claim's Information

Providers are responsible for the validity of their claims' data.

The PACE Provider Agreement states:

I. PROVIDER RESPONSIBILITIES

Subsection G. The Provider agrees to recognize and maintain the Program as the payor of last resort. Where other Third Party Benefit Payment may be applicable, including but not limited to, Insurance Coverage, Public Assistance, Union/Trust Funds, or Retirement Programs, Medicare Part B and D, the Provider shall take reasonable measures to ascertain such prescription benefit is not available before billing the Program. Reasonable measures include, but are not limited to being cognizant of, and adhering to, the policies and procedures of other Third Party Benefit Plans in which they participate. The Provider agrees that Medicare Part B and D and the Medicare Advantage Prescription Drug Plan are the primary payors for Medicare covered pharmaceuticals, except in statutory coverage gaps and non-coverage phases wherein the Program is the payor on behalf of the claimant, in accordance to the reimbursement formula as provided in state law.

III. PROGRAM RESPONSIBILITIES

Subsection B states: The Program will adjust payment to the Provider for the amount of any disapproved cost or expenditure in connection with this Agreement, including but not limited to, those found pursuant to lawful Program audits.

Although real-time edits are continually being developed to identify invalid data submissions, PACE is finding an increasing number of claims submitted with false data to enable the claim to pay. Examples of paid claims found with data later identified as being invalid include, but are not limited to, submission of: incorrect error code (s) identified as the response from the primary payer such as "70-NDC Not on File" when the drug is on the primary's formulary; error 51 or 52 "Non-matched Group or Cardholder ID" for partner plans when PACE supplies the requisite information to providers; suspect quantity/days' supply e.g., 30 quantity for 28 days; prescriber license numbers for pediatricians for PACE claims as well as changing dosing/quantity levels to circumvent DUR edits.

When invalid data is submitted by the provider, either intentionally or unintentionally, (i.e. a programming software error) which results in full or partial Program reimbursement and these data are identified, claims will be disapproved and voided. Providers are prohibited from billing cardholders for any such claim.

Questions may be directed to Provider Services at 1-800-835-4080.