Pharmacy Provider Manual

SevaRx, LLC

Contents

General Overview

This pharmacy provider manual has been developed by SevaRx, LLC ("SevaRx") to assist network pharmacies in all aspects of providing pharmacy services to covered members. Periodically, this manual will be updated with new or modified information. To ensure accuracy and usability of this manual, please incorporate the revised information as instructed. This manual has been assembled to provide administrative information only and is not meant to supersede any local or federal regulations.

SevaRx administers a variety of plans including Commercial, Medicaid and Medicare. SevaRx pharmacy network is comprised of nationally contracted chain and independent pharmacies located across the United States. Covered members with SevaRx prescription drug coverage must have their prescriptions filled at participating pharmacy to obtain the best benefit. Covered members traveling outside their local service area must also use a participating pharmacy to obtain the best benefit. Pharmacies participating in the SevaRx pharmacy network are eligible to fill prescriptions for associated Health Plans and/or lines of businesses identified in the pharmacy network agreement, unless participation is restricted by the plan.

Confidentiality Statement

The information included in this provider manual is considered confidential and proprietary to SevaRx and provided for business purposes only. Provider is not authorized to copy, reproduce, distribute, or otherwise share the information contained in this manual except as authorized by the pharmacy network agreement.

Pharmacy Requirements

SevaRx has established service, credentialing and operational standards for participating pharmacies to ensure delivery of quality of service to all covered members.

Patient service standards include that pharmacies/pharmacists will:

- Maintain patient profiles for prescription medication dispensed
- Not destroy any patient record produced, unless prior written consent is obtained from SevaRx for a period of at least seven (7) years.
- React appropriately to online edits, which may affect the patient's medical status or coverage

- Provide instruction to the patient on the use of medication, including information based on the online drug messages, before dispensing each prescription, according to the state and federal law.
- Provide all drug products covered by the benefit plans, including products normally stocked and those that require special order, if possible.
- Have established formal prescription quality assurance and error prevention measures
- Have a formal process for handling prescription errors

Provider credentialing standards include that the pharmacy will:

- Carry a valid pharmacy operation license
- Maintain valid professional liability and general liability insurance for the pharmacy in the amounts of $1,000,000 per occurrence and $3,000,000 aggregate coverage
- Maintain a valid DEA registration
- Cooperation with SevaRx pharmacy auditors and recovery of any overages identified as a result of an audit
- Maintain a current/valid State Board of Pharmacy License that contains no restrictions

Pharmacies who wish to join the SevaRx Pharmacy Provider Network may email mspharmacycontracting@seva-rx.com to initiate a contract request.

Contact Information

The SevaRx Pharmacy Helpdesk is open Monday through Friday, 8am – 5pm CST. The pharmacy helpdesk can assist in the following areas:

- Claims Investigations
- Provider Remittance Statements
- Payment Issues/Questions
- General Questions
- Reject Messages

Helpdesk Phone Numbers:

Toll Free: 833-273-2253

Fax: 833-273-2254

Prior Authorization Requests

Electronic preauthorization (PA) requests can be submitted using most electronical medical platforms, or via www.seva-rx.com .The PA request may also be faxed to the following Fax Number: 219-810-6833.

Member Services

Contact Member Services for eligibility verification or member-specific questions about benefit coverage:

NWA ECH Health Plan

Toll Free: 833-273-2253

Fax: 833-273-2254

Healthy Mississippi, Inc

Toll Free: 833-201-6413

Fax: 662-350-0412

General Claims Processing Information

Payer Sheet is located on the website.

NWA ECH Health Plan

Bin: 028158

PCN: SEVARX

Group: NWAECH

Healthy Mississippi, Inc.

Bin: 028356

PCN: HMI

Group: G1030857

The pharmacy must submit all prescription claims online to SevaRx using the most current version of the NCPDP standard. The pharmacy must submit prescription claims within 90 days of the fill date. The pharmacy is required to bill the most cost-effective package size.

Each individual claim will be processed as received by SevaRx. Edit checks are made to ensure proper claims adjudication. Claims submitted containing one or more errors will be rejected.

The pharmacy shall not submit claims for payment for prescriptions filled but not dispensed to a covered member. Noncompliance with this contractual provision will be grounds for termination of the Pharmacy Network Agreement.

ID Cards

SevaRx does not distribute ID Cards. The ID cards are distributed by the Health Plan. The member may obtain a virtual copy of the ID Card or will be mailed a card upon request.

Eligibility Verification

The pharmacy agrees to use an online point-of-sale (POS) authorization terminal or host-to-host online link with SevaRx system for verifying eligibility of covered members. The cardholder's identification number for POS entry should be obtained from their ID card. The ID card is used for identification purposes only and are not a guarantee of coverage.

If eligibility cannot be verified using the above method, the pharmacy should call the Pharmacy Helpdesk for verification of eligibility. SevaRx will then verify if the patient is eligible.

Members not using a participating pharmacy may be subject to a higher copay, depending on their plan and is limited to a 30-day supply.

Coordination of Benefits (COB)

Most plans allow for coordination of benefits with a member's primary carrier. If a member has an additional prescription benefit plan, the pharmacy should submit the claim to the appropriate payer in accordance with coordination of benefits requirements. The pharmacy should submit the primary claim to the members primary payer for adjudication.

Prescription Costs and Reimbursement

When a member presents an identification card to the pharmacy, the pharmacy should submit the claim via the point-of-sale system and an electronic response back to the pharmacy will include a detailed description of the member's financial responsibility.

If the member questions the calculated responsibility on the transaction, remind the member that the responsibility is based on many factors. The following is a non-inclusive list of items that may affect the member responsibility being returned:

- Brand vs. Generic Drug
- Quantity Dispensed

- Day Supply Dispensed
- Member Deductible

If a review of the above items still leaves questions for the member regarding their calculated responsibilities, direct the member to contact the Health Plan.

Prohibition on Billing Patients

Participating pharmacies with SevaRx are prohibited from collecting payments from members for covered services that exceed any designated cost-sharing amount returned via the point-of-service system. This includes, but is not limited to, any amount less than the pharmacy's acquisition costs, any additional cost incurred when a specific brand or manufacturer is requested by the member, additional fees for service including in the dispensing of the drug.

Reimbursement Rate Questions

If the pharmacy has questions regarding the reimbursement rate for a particular medication, they are welcome to contact SevaRx Help Desk for assistance. In addition, the pharmacy can review the following items that can directly affect the reimbursement rate to ensure the transaction was submitted correctly:

- Quantity Submitted: Confirm that the metric quantity of the prescription was submitted correctly.
- Day Supply: Confirm that the day supply of the prescription was submitted correctly.
- DAW Code: Confirm that the submitted DAW code accurately reflects the situation.

After evaluating the submission of the claim and it appears to all be accurate, call the SevaRx Pharmacy Help Desk for further assistance.

Signature Log

The pharmacy will maintain an approved daily signature log which contains a disclaimer verifying the member has received the prescription and authorizes the release of all prescriptions and related information to SevaRx. The pharmacy will also require the member or the representative who receives the service to sign for all prescriptions dispensed.

E-Prescribing

Electronic Prescribing is the transmission, using electronic media, of prescription or prescription-related information between a prescriber, dispensing pharmacy, pharmacy benefit manager, or health plan, either directly or indirectly or through an intermediary. E-prescribing should improve quality, safety, efficiency, and consumer convenience.

Pharmacies must submit the Origin Code on the transaction, in accordance with the Payer Sheet included in this Provider Manual, to indicate how the prescription was obtained by the pharmacy.

To qualify as an electronic prescription, the electronic prescription must be noted prior to dispensing, and must clearly record, in a manner that cannot be altered, the system assigned user and date and time stamp to take the place of hard copy documentation. For auditing purposes, the following data elements should be present on an electronic prescription as authentication of electronic signatures:

- Electronic Transaction Identifier
- Prescriber Identifier
- Written Date/Time
- Designated Agent

Pharmacies may only dispense federally Controlled Substances based on a written or electronic prescription that complies with all applicable laws and regulations for prescribing and dispensing Controlled Substances.

Quantity and Day Supply Limits

The following quantity limits will be applied to all transactions processed by SevaRx:

- Maximum thirty-four (34)-day supply of tablets, capsules and liquids to be taken orally
- Maximum one (1) vial containing no more than fifteen (15) milliliters of any optic or ophthalmic product; if only manufactured in package sizes greater than fifteen (15) milliliters, the smallest package size available from the manufacturer is mandated. One copay will be charged per vial.
- Some products may be limited to an approved quantity per acute treatment period.

Unless otherwise specified, one co-payment will apply for each item dispensed within the limit. There are instances in which exceptions can be made.

Medicare Part D

For certain drugs, the Medicare plan may limit the amount of a prescription a member can receive (maximum number of tablets or capsules, etc. per prescription). Asking for an exception may allow for greater quantity dispensed when a medication exceeds the plan limits.

Refills

The following refill edits will be applied to all transactions processed to SevaRx:

- Prescriptions cannot be refilled beyond twelve (12) months from date on which the prescription was written. After the 12 have lapsed, a new prescription with a new prescription number must be assigned.
- Prescriptions should not be refilled more times than the number specified by the prescriber.
- Additional refills authorized by the prescriber must be documented on the hard copy of the prescription or a new prescription number must be assigned with the refills indicated.
- Changes in dosage or an increase in quantity assigned by the prescriber must be documented on the hard copy prescription or a new prescription number must be assigned with the documented changes.

Pharmacies that do not comply with the above dispensing limitations may be subject to review by the SevaRx auditors or designated vendor.

DAW Codes

The pharmacy is required to bill the correct Dispense as Written (DAW) code corresponding to the prescription. Valid DAW codes are as follows:

DAW CODE	Code Description
0	No product selection indicated
1	Substitution not allowed per prescriber

2	Substitution allowed – patient requested product dispensed
3	Substitution allowed – pharmacist selected product dispensed
4	Substitution allowed – generic drug not in stock
5	Substitution allowed – brand drug dispensed as generic
6	Override
7	Substitution allowed – brand drug mandated by law
8	Substitution allowed – generic drug not available in marketplace

Compound Prescriptions

Note: Not all plans will cover Compounds. Check with the Health Plan.

Compounded prescriptions must be prepared following good compounding practices as defined by the USP (United States Pharmacopoeia). The pharmacy will follow USP good compounding practices concerning the following:

- Facility space and equipment
- Source ingredient selection and calculations
- Stability, sterility, and beyond-use dating
- Formulation and checklist for acceptable strength, quality and purity
- Compounding log and quality control

Formulation records, compounding logs, and quality control records may be subject to review by the SevaRx Auditors or designated vendor. Claim dollars for compounded prescriptions found not following good compounding practices will be subject to adjustment.

All active ingredients in a compounded prescription must be FDA-approved for human use and must be covered under the member's plan. The SevaRx Help Desk is available to assist in determining a member's coverage. Dispensing quantity limitations apply to all covered compounded prescriptions.

In accordance with NCPDP, SevaRx processes multi-ingredient compounds. Each NDC should be included in the compound segment of the transaction. Refer to the SevaRx Payer Sheet for additional requirements. Compounded prescriptions where the reimbursement due to the pharmacy exceeds $75.00 will require a review from the SevaRx Help Desk and an official prior authorization request may be required.

Non-Covered Ingredients

The cost of non-covered ingredients may not be billed or collected from an enrollee of a Health Plan when there are covered ingredients of the compound

Appeals and Grievances

Please direct all appeals or grievances on behalf of a member to the SevaRx Member Appeals department, by phone or in writing to:

SevaRx
Attn: Member Appeals Department
10996 Four Seasons Pl, Ste 100C
Crown Point, IN 46307
Phone: 833-273-2253
Fax: 833-273-2254
Email: sevarxappeals@seva-rx.com

Medicare Part D

A grievance is an escalated complaint from a Medicare member regarding a specific issue as it relates to the service they receive. For example, an official grievance is not filed over specific formulary rules or plan costs but rather would be related to the timeliness of filing a prescription or if the member received other poor service. Members are welcome to contact SevaRx through the Medicare Member Services line, fax line or through U.S. mail.

Mac List Requests

Pharmacies can email sevainfo@seva-rx.com to obtain a copy of the MAC list. Pharmacies will not be charged a fee for the request. The list will be supplied as an excel file to the pharmacy within one (1) business day.

Pharmacies may request additional MAC lists for historical pricing records. Pharmacy must specify the dates needed for MAC pricing within their request so that the correct information can be supplied to the pharmacy.

Mac Pricing Research Requests

SevaRx and its designated vendor:

- Uses multiple sources, including but not limited to Medi-Span data, to review AWP, WAC, NADAC, AAC and FUL pricing, along with other marketplace data to determine the costs on MAC pricing lists.
- Monitor these sources for updates at least every seven (7) calendar days to help manage market fluctuations.
- Review MAC pricing lists at least every seven (7) calendar days and update accordingly.

Pharmacies who disagree with MAC pricing on a claim may submit a MAC pricing Research Request (appeal) through SevaRx Help Desk or at the address listed under the Appeal section. Pharmacies will not be charged a fee or assessed any costs associated with submitting a MAC Pricing Research Request (appeal).

Requests must be received within twenty-one (21) days of initial adjudication. Additionally, an invoice dated within thirty (30) days of the claim date of service, showing the pharmacy's acquisition cost, must be provided. Requests outside of these parameters or sent via email will not be accepted.

The appeal submission will be investigated and resolved within fourteen (14) days after a request is received. Responses to the pharmacy include the rationale for determination. When the request is approved, the price will be adjusted prior to notifying the pharmacy of the determination of the request to allow for immediate reprocessing.

All review determinations on any individual claim from a pharmacy are final and will not be reviewed again.

Requests where the basis of reimbursement is other than MAC pricing cannot be reviewed via the MAC Pricing Research Request process, including but not limited to non-covered compound ingredients and rejected claims.

If any state-specific law, rule, or regulation differs or contradicts the MAC process set forth herein, SevaRx follows the state specific law, rule or regulation.

Pharmacy Appeals

For any escalated questions or issues not resolved in this provider manual, pharmacies may email concerns to sevarxappeals@seva-rx.com .

Audit Information

SevaRx has an obligation to members and clients to ensure all contracted services are provided in accordance with the Pharmacy Network Agreement. SevaRx and its designated vendor regularly monitor and audit pharmacy claims to ensure program integrity and to help protect against Fraud, Waste, and Abuse (FWA). All claims submitted to SevaRx are subject to audit.

The pharmacy will provide access at reasonable times upon request by either SevaRx or their designee or any governmental regulatory agency to inspect the facilities, equipment, books, signature logs, files, and records of the pharmacy. This includes, but is not limited to, member records and all prescription dispensing records. A notice will be sent to the pharmacy location that has filled the prescription(s) in question. A description of the issue under review will be included, along with specific claim-related information.

Advanced notice of an audit is not required when the audit is performed for suspected fraud, waste or abuse (FWA).

Audits may take the form of a phone call, desktop audit, on-site visit, internal claims review, compliance reviews, or investigative (FWA) audits. Audits are conducted in accordance with applicable laws and state regulatory guidelines.

Failure to comply with an audit or investigation may result in recoveries and/or termination from the network. Pharmacies will receive written preliminary and final results following an audit.

Audit Appeals – Preliminary Results

The pharmacy is given thirty (30) days from the date of the Preliminary Results letter to review the claim(s) in question and contest the results by supplying supporting documentation, depending on the scope of the audit. Instructions to reply to the audit are included in the Preliminary Results letter and must be submitted in writing. The auditor will

review the appeal and supporting documentation. The pharmacy will be notified of the final audit results after the appeal window is closed.

Lack of response to the Preliminary Results letter will be interpreted as noncompliance and the pharmacy is subject to adjustment of the paid dollars on those claims. Appeals will not be accepted after the thirty (30) day appeal period has passed, and the audit will be considered final.

Additionally, when billing discrepancies are identified by SevaRx and are disclosed to the pharmacy, the pharmacy is given thirty (30) days to review/dispute the findings. If a response is not received within this time, this will be interpreted as consent to the finding and the adjustment will be reflected on the pharmacy's next remittance cycle.

When necessary, extensions will be granted if the pharmacy contacts SevaRx or its designated vendor within the specified time for the appeal. Appeals are reviewed in accordance with applicable laws and state regulatory guidelines.

Audit Appeals – Final Results

The pharmacy is given thirty (30) days from the date of the Final Results letter to review the claim(s) in question and contest the results by supplying supporting documentation, depending on the scope of the audit. Instructions to appeal are included in the Final Results letter and must be submitted in writing. SevaRx will review the appeal and supporting documentation. The pharmacy will be notified of the final audit results after the appeal window is closed.

Lack of response to the Final Results letter will be interpreted as consent with the audit findings and the pharmacy is subject to adjustment of the paid dollars on those claims. Appeals will not be accepted after the thirty (30) day appeal period has passed, and the audit will be considered final.

Appeals are reviewed in accordance with applicable laws and state regulatory guidelines.

Audit Recoveries

Claim adjustments (recoveries) will not be completed until the appeal windows have closed and the pharmacy has been given sufficient opportunity to contest the audit findings. Audit recoveries are handled by offsetting the audit finding amounts against future payments on the pharmacy's next remittance.

Prescription Validation Reviews

SevaRx regularly conducts prescription validation reviews for quality assurance purposes, which are distinct from and are not considered audits. Reviews are used to verify the validity and accuracy of submitted prescription claims.

The pharmacy will be contacted via email, fax, or phone and asked to provide photocopies of specific documents and records related to the claim(s) in question. The pharmacy will be given seven (7) business days, unless otherwise indicated in the request, to provide the applicable and necessary documentation to satisfy the review.

The pharmacy is required to answer reasonable fax, email, and phone inquiries to validate a member being billed, prescriber information, quantities being dispensed, prescription directions, compounded drug ingredients, etc.

Formulary Information

Covered prescription drugs and pharmacy services include most medications which require a prescription by state or federal law when prescribed by a physician and listed on the SevaRx drug formulary. Among other medications, this includes the following:

- Injectable insulin and insulin syringes when written on a prescription
- Compounded medications that are prepared following good compounding practices as defined by the United States Pharmacopoeia (USP DI-Volume III: Approved Drug Products and Legal Requirements). (see “Compound Prescriptions” section)
- Oral contraceptives (plan specific)
- Blood glucose test strips
- Flu vaccine

Covered Injectable and Specialty Medications

Most SevaRx plans have specialty benefits incorporated in the benefit structure. This allows pharmacies to bill covered injectable drugs and specialty medications through the pharmacy benefit. Some injectable drugs may be covered under other tiers of the pharmacy benefit when not classified as a specialty injectable medication according to SevaRx formularies.

For questions on coverage of specific injectable and specialty medications, the pharmacy may contact the SevaRx Pharmacy Help Desk for assistance.

Generally Excluded Medications and Services

Most prescription drugs for covered medical conditions are covered by the prescription drug benefit. However, unless noted otherwise in plan documents or preauthorized as an exception by the plan, the following drugs are not covered under the prescription drug benefit but may be covered elsewhere under the medical benefit:

- Certain drugs with a therapeutic over-the-counter (OTC) equivalent
- Drugs purchased from Out-of-Network Providers over the Internet
- Flu symptom drugs, except when approved by an expert panel of Physicians and SevaRx
- Non-Sedating Antihistamines
- Prescription drugs used to inhibit and/or suppress drowsiness, sleepiness, tiredness, or exhaustion
- Replacement of lost, stolen, or damaged drugs
- Sexual dysfunction drugs
- Travel-related medications, including preventive medication for the purpose of travel to other countries
- All non-prescription contraceptive jellies, ointments, foams, and/or devices, such as IUDs
- Appetite suppressants and weight loss medications
- Certain off-label drug usage, unless the use has been approved by a SevaRx Medical Director or clinical pharmacist
- Compound drugs when alternative products are available commercially
- Cosmetic agents, health or beauty aids, or prescriptions used for cosmetic purposes, including minoxidil for hair growth
- DMSO (dimethyl sulfoxide)
- Drugs not meeting the minimum levels of evidence based upon Food and Drug Administration (FDA) approval, the drug has no active ingredient and/or clinically relevant studies as determined by SevaRx
- Drugs or medicines purchased and received prior to the member's effective date of coverage or after the member's termination of coverage
- Food supplements, food substitutes, medical foods, and formulas
- Human growth hormone

- Infertility medications or drugs used for infertility purposes
- Medication not requiring a prescription, even if ordered by a participating provider by means of a prescription, and drugs that are not medically necessary or that are used inappropriately
- Medication which may be properly received without charge under local, state, or federal programs or which are reimbursable under other insurance, including Worker's Compensation
- Pharmacy & Therapeutics Committee, nationally recognized compendium sources currently utilized by SevaRx, National Comprehensive Cancer Network (NCCN), or as defined within SevaRx Preauthorization criteria or medical policy
- Minerals, fluoride, and vitamins other than prenatal or when determined to be Medically Necessary to treat a specifically diagnosed disease
- Non-prescription vitamins
- Over-the-counter (OTC) medications, except when all of the following conditions are met:
    - The OTC medication is listed on the SevaRx formulary as a covered medication.
    - The SevaRx Pharmacy & Therapeutics Committee has approved the OTC medication as a medically appropriate substitution of a prescription drug or medication
    - The member has obtained a prescription for the OTC medication from a licensed provider and filled the prescription at a participating pharmacy
- Prescriptions written by a licensed dentist, unless for the prevention of infection or pain in conjunction with a dental procedure
- Progesterone powder (micronized progesterone), except when prior authorized during pregnancy or other FDA-approved use
- Therapeutic devices or appliances including hypodermic needles, syringes, support garments, and other non-medicinal substances (except insulin syringes, glucose test strips, and inhaler extensions).

Medicare Part D

The SevaRx formulary for the Medicare Advantage plan has five (5) tiers with coverage of most Part D generic drugs and most Part D brand drugs.

Any injectable medication considered part of the Medicare Part D benefit will be eligible for processing under the member's pharmacy benefit, even if the service is submitted under the medical benefit.

Generally Excluded Part D Medications

Non-Part D drugs, including prescription drugs covered by Part A or Part B and other drugs excluded from coverage by Medicare.

Diabetic Supplies

Lancets and Test Strips, through part of the Medicare Part B benefit, will be allowed to process at the pharmacy through the POS

Step Therapy

Medicare requires Step Therapy for certain drugs. This means that certain drugs are covered by the Medicare plan only after the member has tried the alternative therapy without success.

Exceptions and Coverage Determinations

At any time, a member may request a coverage determination or an exception to a prior authorization requirement or other edit imposed by the Medicare Part D plan. The individual member, member's representative, or the prescribing physician or other prescriber may initiate the exception request. Common reasons for requesting coverage determination or an exception are:

- For coverage of a drug that requires prior authorization
- For coverage of a drug that is not covered on the plan's formulary
- To bypass step therapy or quantity limit restrictions
- To cover a drug at a lower tier

If an exception is approved, it will generally be honored for the remainder of the plan year with no requirement to initiate another coverage determination each time the medication is being filled.

There is no guarantee that a request for exception will be granted. Each request will be evaluated individually based on the situation at hand.

Part B and Part D Benefit Overlap

Drugs that are eligible under a member's Medicare Part B benefit are not eligible for coverage under the Part D benefit. The determination for under which benefit a drug will be covered is not just determined by the drug itself, but also its indication and administration. Medicare Part B covers a limited list of specific drugs including injectable and infusible drugs that are not usually self-administered. Edits will be applied in the Select Health system to manage these rules at adjudication.

Exceptions to Plan Coverage

Exceptions to Medicare Plan coverage include any pharmacy claims processed from a foreign pharmacy. Claims processed at pharmacies outside the United States will not be paid through the SevaRx.

Payment and Reconciliation Information

For reimbursement to the pharmacies, payment cycles are run every two (2) weeks. Checks will be disbursed within fifteen (15) working days of the end of the cycle and will be mailed to the pharmacy.

Medicare Part D

For reimbursement to the pharmacies for Medicare claims, SevaRx will issue, mail, or otherwise transmit payment for all clean claims, submitted by network pharmacies (other than mail-order and long-term care pharmacies) within fourteen (14) days after the date the claim is received for an electronic claim or thirty (30) days after the date the claim is received for any other claim.

Remittance Report

Each payment to the pharmacy will be accompanied by one copy of the Pharmacy Claims Reconciliation Report. This report will provide a detailed list of all claims submitted during the current cycle for each pharmacy and will provide totals for the reconciliation or the payment amount. This report will include all paid, rejected, and reversed claims for the current processing cycle. As an alternative format, the report can also be made available in 835 format, delivered via sFTP in place of the paper remittance report.

Additional copies of the Claims Reconciliation Summary Report may be obtained by request from the SevaRx Pharmacy Help Desk. There will be a charge per additional copy requested.

Electronic Funds Transfer (EFT)

Pharmacies wishing to receive payments via Electronic Funds Transfer (EFT) may call the SevaRx Helpdesk for further information and documents to be completed.

Please note that pharmacies must receive their Remittance Report via 835 file format. No paper Remittance Report would be supplied to the pharmacy.

340B Claims

Federal requirements dictate that a rebate or discount is required for all covered outpatient drugs for Medicaid plans. SevaRx will collect all forfeited rebate amounts resulting from 340B Claims.

Medicare Part D – Specific Information

SevaRx is committed to following Centers for Medicare and Medicaid Services (CMS) guidelines and ensuring access to necessary medications while working closely with the pharmacies to provide the best customer experience possible.

Fraud, Waste and Abuse

It is expected that the provider agrees to adhere to the CMS Prescription Drug Benefit Manual, Chapter 9 – Part D Program to Control Fraud, Waste, and Abuse, and Part D Sponsors' policies and procedures, training and corrective action plans related to the program. Cooperation with the Part D Plan Sponsor includes providing copies of prescriptions, signature logs, and other related documentation to assist in any investigations.

Training

To be considered a pharmacy in compliance with Medicare Part D rules and regulations, pharmacies must agree under CMS guidelines to provide ongoing Medicare Part D training and documentation to its staff.

As part of the audit process with SevaRx, copies of this training and record of the staff receiving the training may be required to be produced, as needed.

Pharmacy Certification for Part D

To process Medicare Part D claims for SevaRx, pharmacies are required to sign a specific Medicare contract addendum. If not signed, any Medicare claims processed to SevaRx will be rejected at POS.

Medicare Prescription Payment Plan

Beginning January 1, 2025, Medicare beneficiaries may opt into the Medicare Prescription Payment Plan (M3P). The M3P is an option for all Medicare beneficiaries where they can spread the costs of their regular pharmacy co-pays over time rather than pay the full copay at the pharmacy counter. Once a Medicare beneficiary has opted into the M3P they will no longer pay their regular copays at point of sale. Instead, they will pay nothing at the pharmacy counter and SevaRx will bill them directly for the cost of their copay.

SevaRx will cover the cost of the copay to the pharmacy and the pharmacy will not be required to collect the copay. To make this possible, pharmacies will be required to bill SevaRx for both the regular Part D covered medication as well as the copay electronically. Pharmacies will need to follow the steps below to bill correctly:

- Pharmacy bills SevaRx using Medicare BIN: 028356 and PCN: HMI
- Upon receipt of the paid claim, pharmacy will receive messaging from SevaRx that the Medicare beneficiary has opted into the M3P and should not pay their normal copay
- Pharmacy bills any secondary, tertiary, etc. insurance the Medicare beneficiary has on file.
- Pharmacy bills the resultant copay back to SevaRx using the M3P BIN: XXXXX and PCN: XXXXX
- Pharmacy will receive confirmation of paid copay amount from SevaRx

Pharmacies will be required to provide information about the M3P to Medicare beneficiaries that are likely to benefit from this new program. When a Medicare beneficiary that is not participating in the M3P program has a copay of $600 or greater, SevaRx will provide a code to instruct the pharmacy to provide the M3P informational sheet to the beneficiary to help them understand the benefits to them of participating in the M3P program. This process is similar to the procedure for providing appeals rights to Medicare beneficiaries when they receive a rejected claim. This information sheet will give the beneficiary the information to opt into the program if desired.

For additional assistance on this program, contact the SevaRx Pharmacy Help Desk at 833-201-6413.

General Procedures for Acknowledgement Letters

To be in compliance with CMS requirements, if a member should present a Part D acknowledgment letter in place of an ID card, the pharmacy should honor that letter as sufficient eligibility to process a claim to SevaRx for their Medicare Part D benefit. If the presented letter does not contain sufficient information to process a claim to SevaRx, please contact the SevaRx Pharmacy Help Desk for assistance in processing.

Formulary Transition Fill Plan

In accordance to the transition plan requirements from CMS, SevaRx will offer short-term coverage for Part D benefits to members that are new to the plan. During this transition period, a member can receive an initial fill of an ongoing medication even if it is not covered under the new Medicare Part D plan (including if it requires prior authorization or step therapy). It is assumed that during this transition period, the member will be working with their physician to identify alternative equivalent medications that are covered under the plan.

Long-Term Care Facilities

For long-term care facilities to process Medicare Part D claims to SevaRx, the pharmacy is required to sign a specific LTC Medicare contract addendum. If not signed, any Medicare claims processed to SevaRx will be rejected at POS.

Home Infusion Therapy

For a home infusion pharmacy to process Medicare Part D claims to SevaRx, the pharmacy must sign a specific home infusion Medicare contract addendum. If not signed, any Medicare claims processed to SevaRx will be rejected at POS.

State-Specific Pharmacy Regulatory Resources

Several states require provider and pharmacy benefit managers (PBMs) to comply with certain statutes and regulations when providing pharmacy services to members. The information below includes various resources to determine the state-specific regulations, requirements, and laws that may apply to the Pharmacy Services Agreement between SevaRx and its participating Pharmacy Providers. Providers and PBMs are required to comply with all applicable requirements. In the event there is a conflict between a provision in the agreement or provider manual and the applicable state-specific provision, the state-specific provision will be followed:

This section may be amended from time to time to reflect changes to the applicable law(s).

Colorado

- Audit Laws/Regulations - https://leg.colorado.gov/bills/hb21-1297
- Board of Pharmacy - https://dpo.colorado.gov/Pharmacy
- Pharmacy Laws/Regulations - https://dpo.colorado.gov/Pharmacy/Laws

Idaho

- Audit Laws/Regulations - https://legislature.idaho.gov/wp-content/uploads/sessioninfo/2018/legislation/S1336.pdf
- Board of Pharmacy - https://bop.idaho.gov/
- Pharmacy Laws/Regulations - https://bop.idaho.gov/pharmacy-code-administrative-rules/

Iowa

- Audit Laws/Regulations - https://www.legis.iowa. gov/docs/ACO/chapter/191.59.pdf
- Board of Pharmacy - https://pharmacy.iowa.gov/
- Pharmacy Laws/Regulations - https://pharmacy.iowa.gov/ruleslaws

Minnesota

- Audit Laws/Regulations - https://www.revisor.mn.gov/
- Board of Pharmacy - https://mn.gov/boards/pharmacy/
- Pharmacy Laws/Regulations - https://mn.gov/boards/pharmacy/statutes/

Nebraska

- Audit Laws/Regulations - https://nebraskalegislature.gov/laws/statutes.php?statute=44-4607
- Board of Pharmacy - https://dhhs.ne.gov/licensure/ Pages/Pharmacy-Professions.aspx
- Pharmacy Laws/Regulations - https://dhhs.ne.gov/ licensure/Documents/Pharmacy.pdf

Nevada

- Board of Pharmacy - https://bop.nv.gov/
- Pharmacy Laws/Regulations - https://bop.nv.gov/board/ALL/Regulations/

North Dakota

- Audit Laws/Regulations - https://www.nodakpharmacy.com/pdfs/2012lawbook.pdf
- Board of Pharmacy - https://www.nodakpharmacy.com/
- Pharmacy Laws/Regulations - https://www.nodakpharmacy.com/laws-rules.asp

Oregon

- Audit Laws/Regulations - https://www.oregonlegislature.gov/bills_laws/lawsstatutes/2013orLaw0570.pdf
- Board of Pharmacy - https://www.oregon.gov/pharmacy/Pages/index.aspx
- Pharmacy Laws/Regulations - https://www.oregon.gov/pharmacy/Pages/Laws-Rules.aspx

South Dakota

- Audit Laws/Regulations - https://sdlegislature.gov/Statutes/Codified_Laws/2076360
- Board of Pharmacy - https://doh.sd.gov/boards/pharmacy/
- Pharmacy Laws/Regulations - https://sdlegislature.gov/Statutes/Codified_Laws/2060038

Tennessee

• Audit Laws/Regulations - https://casetext.com/statute/tennessee-code/title-56-insurance/chapter-7-policies-and-policyholders-33373/part31-pharmacy-benefits-managers

• Board of Pharmacy - https://www.tn.gov/health/ health-program-areas/health-professional-boards/pharmacy-board.html

• Pharmacy Laws/Regulations - https://publications.tnsosfiles.com/rules/1140/1140.htm

• Reimbursement Appeals - https://publications.tnsosfiles.com/rules/0780/0780-01/0780-01.htm

Utah

• Audit Laws/Regulations - https://le.utah.gov/xcode/Title58/Chapter17B/C58-17b-S622_1800010118000101.pdf

• Board of Pharmacy - https://dopl.utah.gov/pharm/index.html

• Pharmacy Laws/Regulations - https://dopl.utah.gov/pharmacy/laws-and-rules/