Provider Pharmacy Manual

Publication Date: August 1, 2019

MedTrakRx is a pharmacy benefit management company committed to providing the best possible service to the pharmacies in its participating pharmacy networks. The MedTrakRx Provider Pharmacy Manual provides information on the administrative policies and procedures pharmacies should follow in providing pharmacy services to MedTrakRx's eligible members. However, it should be noted that the online claims processing system reflects the most current plan benefits and takes precedence over any printed material.

10895 Lowell Avenue, Suite 100
Overland Park, KS 66210

Pharmacy Help Desk: **800-771-4648**
Fax: **913-262-2025**

CONTENTS

SECTION 1: CLAIMS PROCESSING SYSTEM

Help Desk-MedTrakRx (BIN 800004)

For questions related to eligibility, claims or claim payments, the pharmacy should call the MedTrakRx Help Desk. The MedTrakRx Help Desk is open Monday through Friday from 8:00 a.m. (CDT) to 9:00 p.m. (CDT) and Saturday from 9:00 a.m. (CDT) to 6:00 p.m. (CDT). The main toll-free phone number is (600) 771-4648, but pharmacies should always call the MedTrakRx toll-free phone number that is printed on the Member Identification Card. After normal Help Desk hours, a voice mail system records messages. A Customer Service Representative will respond to these messages at the start of the next business day.

Tria Help Desk (BIN 019074)

For questions related to eligibility, claims or claim payments, the pharmacy should call the Tria Help Desk. The Tria Help Desk is open Monday through Thursday from 8:00 a.m. (CDT) to 9:00 p.m. (CDT), Friday from 8:00 a.m. (CDT) to 7:00 p.m. (CDT) and Saturday from 9:00 a.m. (CDT) to 5:00 p.m. (CDT). The main toll-free phone number is (888) 799–8742, but pharmacies should always call the Tria toll-free phone number that is printed on the Member Identification Card. After normal Help Desk hours, a voice mail system records messages. A Customer Service Representative will respond to these messages at the start of the next business day.

Member Identification

All eligible members using a participating retail pharmacy must present a Member Identification Card before the pharmacy dispenses their prescription(s). The Member Identification Cards include, among other things, the MedTrakRx logo, ANSI BIN, toll-free phone number, Rx Group Number, Group Name, Cardholder ID Number, and Cardholder Name. When eligible members order prescriptions from a participating mail order pharmacy, they must register with the pharmacy and. in the process; indicate they are an eligible member of MedTrakRx.

Point-of-Sale Certification

MedTrakRx's claims processor is Laker Software. A pharmacy system vendor must receive system certification from the claims processor before a pharmacy using that system can submit claims electronically. The pharmacy should contact its pharmacy system vendor if there are questions about how to submit claims.

Point-of-Sale Hook-Up

In order to establish online capabilities with MedTrakRx's claims processor, the pharmacy, or its pharmacy system vendor, should contact the communication network vendor to obtain the phone number that allows the pharmacy access to the claims processor for submitting claims. MedTrakRx accepts claims from the following communication network vendors: Relay Health (800-895-0333), Emdeon (800-3336869), QS1 (800-845-7558), and ERx (817-887-0300).

Online Claims Submission

Participating pharmacies must submit claims via electronic transmission for all covered medications dispensed to eligible members. This includes covered medications for which the usual and customary charge is less than the copayment and no reimbursement is due the pharmacy.

Pharmacies must submit claims via electronic transmission within 14 days of the date of service using NCPDP Version 5.1 claims. With each claim, the pharmacy must submit:

- ANSI BIN (or UN), which is 017944
- NCPDP Processor Number, which is 008126 (optional)

Eligible member information, which includes, at a minimum, the individual's group number, cardholder ID number, person code (or dependent code), member last name, member first name, relationship to cardholder code, gender code and date of birth. The group number and cardholder ID number appear on the identification card.

- Pharmacy identifier, which is the pharmacy's NPI number

- Prescriber identifier, which is the prescriber's NPI number
- Prescription information, which includes, at a minimum, the prescription written date, prescription filled date, prescription number, number of refills authorized, drug product NDC, metric quantity, days' supply, compound code (if applicable), PSC, ingredient cost, dispensing fee, tax (if applicable), total charge (ingredient cost + dispensing fee + tax), and U&C

Accurate Claims Submission and Prescription Record

1. **Submission of Accurate Claims**
    a. Claims in which the accurate days' supply is modified in order to obtain a paid Claim are considered recoverable, depending on plan benefit limitations.

    b. Claims should be billed with quantity and days' supply consistently matching the directions for use and within plan benefit limitations. If the directions for use are not specific, such as "use as directed" or "apply to affected area", clarification must be obtained from prescriber and documented accordingly on the prescription hard copy or the pharmacy's electronic record system.

    c. Smaller package size should be billed if it meets the prescriber directions and remains within the maximum days' supply limitation set up by the plan.

    d. Splitting prescription (lowering prescribed quantity) to bypass adjudication messages indicating requirement for prior authorizations or outreach to the Pharmacy Help Desk is not allowed, and will be subject to audit chargebacks.

    e. Ensure the max daily dose (MDD) is present on use as directed (UAD) and sliding scale instructed prescriptions to avoid discrepancies and audit chargebacks.

    f. The NDC number of the dispensed drug, matching the package size, should be billed to accurately reflect the dispensed product. Billing of similar NDC is not allowed and will be subjected to audit chargebacks, according to audit findings. Wholesaler invoices and other drug related records should outline NDCs and drug names to be considered valid.

    g. The dispensing pharmacy NPI number must be used for claims submission, unless otherwise authorized in writing by EnvisionRx. Utilizing another pharmacy NPI number for submission of claims is subject to audit review and chargebacks.

    h. Claims adjudicated with incorrect prescriber NPI or identifiers, or incorrect origin codes, will be subject to adjustment or reversal if the adjustment results in claim rejection.

    i. A pre-printed substitution drug is not valid without a new prescription or a properly documented verbal authorization from prescriber.

2. **Standards for Ophthalmic and Optic Drops:** Unless indicated otherwise by manufacturer:
    a. Solutions - 20 drops/mL
    b. Suspensions - 15 drops/mL

3. **Topical Products, Drops, Inhalers:** When calculable directions are not specified, the smallest commercially available package size should be dispensed. If a larger amount is required, the frequency and surface area (for topical products) or maximum daily dose documentation is required on the prescription at the time of dispensing.

4. **Return to Stock:** Billed Claims must be reversed after fourteen (14) days if prescription is not picked up or received by the patient. Receipt of medications post fourteen (14) days of billing is subject to audit chargebacks.

5. **Override and DUR Codes**: All NCPDP override DUR coding should accurately reflect the reason for DUR override. If the Pharmacy utilizes an override code in order to obtain a paid Claim (i.e. 1B for "clarified with prescriber") the interaction must be documented on the prescription or in the Pharmacy System with traceable time stamps. Lack of supporting documentation is subject to audit chargebacks.

6. **Telephoned Prescriptions**: Called-in prescriptions or verbal authorizations/ clarifications added to any prescription must be documented with date and name of caller. Missing information is subject to audit chargebacks.

7. **Signature Log Requirement**: Electronic or Manual Signature should be recorded at time of pick-up or delivery by the member or designated member representative. The record should include the date of pick-up or delivery and prescription number. For deliveries, the date delivered cannot be pre-printed by the pharmacy.

8. **Prescriptions Delivered by Common carrier (Mail, FedEx, UPS etc.):** For delivery logs, a tracking number alone is not considered a valid proof of Member receipt. The tracking number must be accompanied by Member signature or tracking detail from carrier showing medication was delivered.

    a. Auto-ship requirements: A pharmacy that is mailing prescription drugs must obtain the member's (or member's authorized representative) authorization prior to the delivery of medication. This requirement applies to both new prescriptions and refills. Such confirmation is unnecessary when the beneficiary personally initiates the refill or new prescription request (for example, by mailing prescription to the pharmacy). The pharmacy is required to keep documentation related to authorization for delivery on file for audit purposes.

9. **Long Term Care Pharmacy Considerations**:
    a. Orders must indicate the time frame for which they are valid. Original orders without indication of number of refills are invalid if billed outside of the time frame indicated on the prescription.

    b. Facility nursing staff call in notes, refill stickers or electronic refill requests are only valid to show intent to refill and not considered to be a valid order.

    c. Prescription delivery should not take place before the date of service billed and no later than the following day

    d. Additional documentation might be required from the Pharmacy depending on the circumstance, such as medication administration records (MARs).

    e. MARs are not considered valid proof of delivery, but may be requested from time to time to assure patient utilization of medication.

10. **Compound Pharmacy Considerations**:

- Compound logs should be in accordance to Chapter 795 of the United States Pharmacopeia (USP 795) for non-sterile products and Chapter 797 (USP 797) of the United States Pharmacopeia for sterile products as well as applicable state law or regulation. When sending documentation include the master formula. The billing log or detail will not be considered in lieu of compound log. Missing or incomplete compound log will be subject to audit chargeback.

- The amount billed for each component should correspond to the amount dispensed to the patient/ amount used on the compound. Quantities billed in excess to make up to the entire package size6 are considered excessive and will be subject to audit chargeback.

- The NDC numbers billed should correspond to the NDC numbers dispensed. If Pharmacy bills for an NDC that was not used on the actual compound, this is subject to audit chargeback.

- Manipulation of rejected Claims in order to obtain paid Claims by excluding covered NDCs from Claim submission, misrepresenting U & C and others are not acceptable practices and will result in audit recoveries. Pharmacy must not modify the quantity or chemical entity of each individual component in order to obtain Claim reimbursement. Pharmacy

should not manipulate the compound indicator or pricing to bypass utilization management edits (i.e. Max Dollar or Max Quantity). Such findings are subject to audit chargeback and other corrective actions.

- MedTrakRx does not permit substitution for compounds without a new prescription or a properly documented verbal authorization from prescriber. MedTrakRx does not consider compounded medication as a generic drug for the purposes of any applicable state generic substitution law or regulation.

- If requested by MedTrakRx, pharmacy must provide clinical evidence for utilization of each chemical entity within the compound with literature on file supporting the therapeutic value.

Special Claims Submission Requirements

Usual and Customary Charge

When submitting a claim, the pharmacy must submit its usual and customary charge. The usual and customary charge is the lowest prescription price, including discounts, charged to a cash-paying patron for that drug on that day. Discounts to be reflected in a pharmacy's usual and customary charge include:

- Discounts to senior citizens
- Discounts to frequent shoppers
- Discounts for members of special programs
- Professional discounts
- Discounts due to competitive pricing (e.g., price matching)
- Any other special discounts to attract patrons

Compounds

When submitting a claim for a compounded medication (i.e., two or more ingredients), the pharmacy should initially enter the NDC and quantity of the most expensive ingredient. The claim should be marked as a compound, followed by entry of drug and pricing information for each and every ingredient to include, but not limited to, NDC number, quantity, ingredient cost, Usual and Customary charge, and gross amount due.

Product Selection Codes (PSC's)

The following PSC's must be used appropriately when a pharmacy submits a claim to MedTrakRx:

- PSC=0 - No Product Selection Indicated. This PSC should be used when the drug product is a generic, or when the drug product is a single-source brand (where generic substitution is, by definition, not possible).
- PSC=1 - Physician-Selected Product. This PSC should be used when the physician requests the branded version of a multiple-source drug product.
- PSC=2 - Patient-Selected Product. This PSC should be used when the patient requests the branded version of a multiple-source drug product.
- PSC=3 - Pharmacist-Selected Product. This PSC should be used when, at the pharmacist's discretion, the branded version of a multiple-source drug product is dispensed.
- PSC=4 - Generic Out of Stock. This PSC should be used when no generic drug product-is-available to-the pharmacy from-its suppliers.
- PSC=5 - Brand Product Selected as Generic
- PSC=6 - Override
- PSC=7 - Product Mandated by Law
- PSC=8 - Product Not Available
- PSC=9-Other

Some pharmacy benefit plans require that, if the branded version of a multiple-source drug product is dispensed, the eligible member pays the copayment plus the calculated cost difference between the brand and the generic drug products. The pharmacy should always rely on the POS response to determine what copayment should be collected from the eligible member.

NOTE: The pharmacy's use of PSC's is subject to audit by MedTrakRx.

Prior Authorization

Based on specific plan design, some claims may require MedTrakRx authorization before the claim will process as paid. The following represent some common POS messages a pharmacy might receive in these situations:

- Reject 79, RTS (refill too soon)
- Reject 76, Plan Limitations Exceeded—MQ (maximum quantity)
- Reject 76, Plan Limitations Exceeded—MD (maximum dollars)
- Reject 60, OTC drugs not covered
- Reject 54, Non-matched NDC number

MedTrakRx will respond quickly and appropriately to a pharmacy's request to approve a claim requiring prior authorization. This PA process will be expedited if the pharmacy contacts MedTrakRx directly, as soon as possible, regarding the rejected claim. MedTrakRx reserves the right to disallow any pharmacy's request for prior authorization.

DEA Numbers

All DEA Numbers submitted with claims by a pharmacy must pass the U.S. Drug Enforcement Administration's check-digit verification algorithm.

NPI Numbers

All NPI numbers submitted by a pharmacy must pass the CMS check-digit verification algorithm.

Online Claims Response

All claims submitted by a pharmacy are subject to system edits before a determination of payment is made. If a claim passes all edits, the claim response will contain an acceptance message consisting of the approved copayment or deductible to be paid by the eligible member and a claim reference number. If, on the other, hand, a claim fails an edit, the claim response will contain a rejection message consisting of a denial code, reason for denial and a claim reference number.

Whether a claim is approved or denied by MedTrakRx, the pharmacist must exercise professional judgment in determining whether to dispense a particular medication. Approval or denial of a claim by MedTrakRx relates only to whether a drug product is covered as a plan benefit, and does not preclude the pharmacist from dispensing the drug if the patient requests the drug and is willing to pay the pharmacy's usual and customary charge for the drug.

Online Drug Utilization Review

MedTrakRx currently supplies online drug utilization review (DUR) messages in its claim response to participating pharmacies. The following types of DUR messages may be sent:

- Therapeutic duplication
- Drug to drug interaction
- Drug regimen compliance e Drug to inferred health state
- Dosage range
- Drug overuse edit
- Drug to age edit
- Drug to sex edit
- Preferred formulary

Pharmacists with questions regarding DUR messages are encouraged to call the MedTrakRx Help Desk. DUR information from MedTrakRx is limited to information contained in the claims processor's current participant database. Therefore, DUR messages relate only to other claims processed by or through the claims processor's system. These DUR messages are only one of several tools pharmacists should use in the dispensing process.

Online Claims Reversals

A pharmacy must submit a reversal to a claim previously accepted online when an eligible member fails to pick up a filled prescription within 14 days of the claim submission date. MedTrakRx reserves the right to audit for prescriptions that were not picked up by the Member to ensure appropriate Claim reversals. If a pharmacy needs to resubmit a claim previously accepted online, the pharmacy must first submit a reversal within 90 days of the claim submission date.

Signature Log

All participating pharmacies must maintain a signature log (hard-copy or electronic) that includes the plan sponsor name, prescription number, and date of receipt of each covered medication dispensed to an eligible member. The eligible member, or his/her representative, must sign the log for each covered medication he/she receives. For delivery logs, a tracking number alone is not considered a valid proof of Member receipt. The tracking number must be accompanied by Member signature or tracking detail from carrier showing medication was delivered. For additional details, consult the Accurate Claim submission and Prescription Record session of this manual.

Reporting

MedTrakRx will send the following documents for payment and reconciliation assistance for each participating pharmacy:

- Payment check or electronic funds transfer
- Pharmacy Remittance Report. This report lists all paid claims, reversed claims, and denied claims for the processing period (available electronically in H1PAA- approved format).

The claims processing payment period is twice monthly on the 15th and the last day of the month. Claims payments and supporting documents are sent no more than 30 days after invoice payment to MedTrakRx.

Pricing

Each-submitted claim will be priced using the specific guidelines established by the plan sponsor. The source of drug product AWP prices is Medi-Span. Prices are effective on the date the prescription is filled.

Claims Adjustments

Adjustments to paid or denied claims are possible. The pharmacy should submit documentation to MedTrakRx supporting the pharmacy's request for corrections and a copy of the Pharmacy Remittance Report highlighting the claims on which adjustments are being requested.

Universal Claim Form

Although MedTrakRx requires pharmacies to submit claims electronically through the POS system, an isolated instance may occur from time to time when a pharmacy must submit a claim by completing and sending a Universal Claim Form (UCF). The pharmacy should follow the steps outlined below when sending a UCF for payment consideration:

- The UCF must be an original form obtained from NCPDP, with all required data fields completed clearly and legibly.

The UCF should be mailed to:

MedTrakRx
10895 Lowell Avenue, Suite 100
Overland Park, KS 66210

Pharmacy Audit Guidelines

MedTrakRx has the right to conduct audits of pharmacy records to ensure compliance with the Pharmacy Services Agreement. A participating pharmacy may be selected for an audit based on, but not restricted to, factors related to prescription volume, generic dispensing rate, dispensing of controlled substances, average prescription quantity, average prescription cost, and average number of prescriptions per eligible member. In addition, service complaints from eligible members, plan sponsors, and other external parties may trigger an audit.

Audit results are regularly reviewed by MedTrakRx, and any discrepancies found may result in payment chargebacks or referrals to state/federal investigative agencies, may impact Pharmacy participation in the MedTrakRx Pharmacy Network, or other corrective action.

The information provided within these guidelines may not be specific to your Pharmacy. Please refer to your Participating Provider Agreement or PSAO/Chain Network Agreement for specific information related to your Pharmacy. Federal, state, or local law, regulation or guidance varies and may supersede these audit guidelines. If there is a conflict between an applicable law, regulation or guidance, to the extent permissible, the audit will follow the stricter provision.

TYPES OF AUDITS

MedTrakRx may conduct a desk audit, on-site audit, or investigational audit of a Pharmacy. Nothing prohibits MedTrakRx from conducting an audit that does not follow these audit guidelines as long as such audit is in compliance with applicable federal, state, or local law, regulation or guidance.

1. **Desk Audits:** Desk audits are generated according to proprietary algorithms that flag Pharmacy data, and performed on a random basis for verification of Pharmacy compliance. Audits are conducted in writing via email or fax communication. Documentation is requested to confirm billing practice and Member receipt.

2. **Onsite Audits**: Onsite audits are audits that are conducted at the Pharmacy's physical location. Advanced notification of audit will be sent via mail to schedule the onsite audit. During the onsite audit, prescription hard copies and signature logs should be made readily available for the auditor. Prior to the onsite visit, a parameter of fill dates and prescription numbers are provided. Unprofessional or unsafe Pharmacy practices observed during an onsite audit may result in actions taken against the Pharmacy up to and including termination of the Pharmacy contract, issuance of corrective actions and/or be reported to applicable regulatory agencies. Onsite audits can be conducted without notification if a credible allegation of fraud or non-compliance is received.

3. **Investigational Audits:** Investigational audits are desk audits that are more extensive and detailed in scope compared to desk or onsite audits. Depending on the issue(s) being investigated, additional documentation may be requested from the Pharmacy that goes beyond the typical request for copies of prescriptions and delivery logs. The time frames for documentation review might be extended depending on the nature of the investigation.

REQUESTED DOCUMENTATION AND RECORDS

Records subject to audit include, but are not limited to, the following:

1. Prescription hard copy (front and back)
    a. LTC: Physician's order sheet for date of service
    b. If the requested copy is a vaccine prescription and the vaccine was both dispensed and administered at your location, please include the Vaccination Administration Record (VAR)
2. Prescription label
3. Signature log (or valid proof of delivery)
4. Compound log
    a. If compounded medication and/or if compounded in bulk [i.e. for multiple patients from same formula] include the record for master preparation
5. Manufacturer, wholesaler, and distributor invoices and pedigrees
6. Any other documentation required by applicable federal, state or local law, regulation or guidance.

See additional information in section labeled **ACCURATE CLAIM SUBMISSION AND PRESCRIPTION RECORD**

TYPICAL AUDIT PROTOCOL AND APPEALS PROCESS

MedTrakRx provides the following audit protocol and appeals process:

- The Pharmacy is given thirty (30) calendar days to respond to the audit request.
- If any discrepancies are encountered, the initial findings will be sent to the Pharmacy.
- The discrepancy letter provides an explanation of the identified discrepancy and acceptable appeal documentation. Thirty (30) days are given to submit an appeal.
- Upon completion of the appeal review, a decision letter is sent to the Pharmacy with the final findings.

Time frame allowances described above **might be shortened for investigative reviews** or Plan Sponsor requests.

MedTrakRx has the right to off-set for any amounts due where permissible by applicable law or regulation.

WHOLESALER, MANUFACTURER AND DISTRIBUTOR INVOICES: REQUIREMENTS AND AUDITS

Wholesaler, manufacturers and distributor invoices are subject to audit and must be provided to EnvisionRx when requested. It is the Pharmacy's responsibility to ensure that all wholesalers, manufacturers and distributors utilized to provide covered drugs to Members are lawfully licensed to do so. Covered drug products in this context include OTC items and supplies.

In order to source medication inventory from another licensed pharmacy, the following requisites must be met:

1. The supplying pharmacy must be licensed as a wholesaler unless otherwise specified in applicable law
2. The Pharmacy must maintain documentation about the sourced medication. This documentation must include, at minimum, the following items: medication name and strength; medication NDC; lot number; exact quantities purchased; date of purchase; proof of financial transactions between both pharmacies.

In order to transfer medication inventory from another licensed pharmacy, the following requisites must be met:

1. The Pharmacy must maintain documentation about the medication transfer. This documentation must include, at minimum, the following items: medication name and strength; medication NDC; lot number; exact quantities purchased; date of purchase; proof of financial transactions between both pharmacies
2. Unless otherwise specified in the PPA or applicable law, if the transfer is related to the sale, merger or inventory consolidation, then the Pharmacy must conduct a full inventory while documenting the items listed above.

Important points to remember:

- Pharmacy must be able to provide, upon request, the pedigree information for dispensed drug products.
- All wholesaler/ distributor invoices or purchase summaries must be submitted directly from the wholesaler.
- Documentation received from the pharmacy will not be accepted for audit consideration.
- Pharmacy must provide comprehensive drug utilization report upon request; this report includes all payers for the NDCs requested (PHI should be redacted). A denial of this request constitutes a denial of access to records.

FREQUENTLY ASKED QUESTIONS

1. ***What happens if a partial or illegible communication is received by the Pharmacy?***
    a. Send an email to MedtrakAudits@envisionrx.com or fax inquiry to 844-236-3021
    b. Include the Pharmacy's NABP or NPI and the Audit Ref# (if legible) in the subject line of e-mail or fax cover page
    c. Describe any decipherable information on the letter and the issue
    d.
2. ***What type of documentation may be requested for a desk audit?***
    a. Copy of the audit request letter with QR code (two-dimensional bar code)
    b. Copy of the original prescription (front and back)
        i. LTC Pharmacy: Physician's order sheet for date of service or interim order. Medication Administration Records (MAR) are not acceptable proof of prescriber order
        ii. If prescription is for a vaccine, include the Vaccination Administration Record (VAR)
    c. Rx label: copy of label placed on the dispensed medication for the requested date of service
    d. Copy of the signature log sheet (pickup or delivery) for verification
    e. Compound log (if compounded medication).
    f. Manufacturer, wholesaler or distribution invoices

3. ***How does the Pharmacy submit requested documentation?***
    a. Use the bar coded audit request letter or most recent letter as the cover page of audit response
    b. Submit requested documentation via fax to 844-268-1951 or secure email to MedtrakAudits@envisionrx.com
    c. If you don't have secure e-mail, you can send a request to us advising of such and we can setup a secure link for document submission

4. ***How do I address questions regarding an audit, including audit status?***
    a. Submit all questions and/or concerns in writing via email to MedtrakAudits@envisionrx.com or via fax to 844-268-1951 using bar coded audit letter

5. ***What happens if my initial audit response is not received?***
    a. Locate fax confirmation or email communication
    b. Resubmit initial audit response along with fax confirmation or e-mail communications related to previous submission
    c. Upon evaluation of documentation, audit will be placed back for initial review.

6. ***How do I update the Pharmacy contact for audit communications?***
    a. Audit communications can be sent via email **or** fax. They can't be sent via multiple mechanisms. If utilizing e-mail, we can accommodate up to two email addresses.
    b. Send update requests to MedtrakAudits@envisionrx.com
    c. It is the Pharmacy's responsibility to advise MedTrakRx Pharmacy audits of any change to fax or e-mail address on file

7. ***How do I appeal audit findings?***
    a. Each discrepancy and decision letter contains a discrepancy table
    b. The discrepancy table includes a description of the discrepancy noted and the acceptable documentation for appeal
    c. Once all required appeal documentation is gathered, submit once within the thirty (30) days' time frame given (might vary for investigational audits). Use the discrepancy letter as the cover page to properly route to the audit.
    d. All appeals must be sent via encrypted email to MedtrakAudits@envisionrx.com or via fax to 844-268-1951

8. ***Can I request an extension to respond to the audit or to appeal the initial audit findings***?
    a. Audit extensions are considered on a case by case basis. All requests for audit extensions are handled in writing only via email or fax: MedtrakAudits@envisionrx.com or to 844-268-1951.

9. ***Can I still appeal if the initial audit response was not submitted***?
    a. Yes, gather requested documentation and submit your appeal via email to MedtrakAudits@envisionrx.com or via fax to 844-268-1951
    b. Use the discrepancy letter with the QR code (two-dimensional bar code) as your cover page

10. ***Can my Pharmacy obtain a list with the prescriptions that will be reviewed during the onsite audit*?**
    a. No, MedTrakRx does not provide a list with the exact prescription numbers prior to the audit. This is part of the procedure to maintain the integrity of the onsite visit. However, a parameter of fill dates and prescription numbers are provided in advance.
    b. Pharmacy will have opportunity to provide additional documentation during the appeal phase

11. ***What happens if the tracking number is too old to retrieve from the mail courier website?***
    a. Contact your account representative at the mail courier to provide date and time of successful delivery. Excel files with pertinent tracking information are acceptable if coming directly from the carrier account representative.
    b. Alternatively, a Member attestation acknowledging delivery is acceptable
    c. Please note: a tracking number alone does not confirm Member receipt

ACCEPTABLE AUDIT APPEALS

All audit discrepancy and decision letters will provide the reason a Claim has failed audit. The following chart provides the audit discrepancy codes and descriptions, as well as acceptable or required documentation to appeal a Claim marked as discrepant on an audit:*

CODE	Description	Explanation	Required Documents for Appeals
CFX	Cut Fax Header	Fax header removed from Rx document that would authenticate the origin submitted on claim as "Fax".	Prescriber statement*
CIN	Clinically Inappropriate	Billed claim goes against current accepted medical literature;	Pharmacy and/or prescriber must provide current clinical literature validating the use of this drug and/or dose as prescribed.
CPD	Compound Incorrectly billed	A compounded prescription is billed incorrectly resulting in overpayment, or claim is billed with an NDC number that was not used in the actual compound.	Compound logs with new elements other than what was initially submitted must contain verifiable date and time stamp or other traceable information to be considered.
COM	Missing or Incomplete Compound Log	Compound log not submitted or missing required elements.	Date and time stamped compound log with all required elements according to USP 795.
DAW	Incorrect DAW Code	DAW billed must be documented on the prescription hard copy.	Date and time stamped note in patient profile that documents patient's preference (electronically captured documentation) or medical record that supports prescriber's preference.
DEA	DEA Number Not Documented on Prescription	The hard copy prescription does not contain a DEA number (CII-CV drugs only).	No post audit documentation accepted. Federal regulations require the prescriber's DEA number as part of the prescription hard copy PRIOR to dispensing.

CODE	Description	Explanation	Required Documents for Appeals
DPU	Delayed Pick-up from billed Date of Service	Prescriptions billed and not picked up or delivered within 14 days from date of service should be reversed.	No post audit documentation accepted.
EXC	Excessive Quantity Billed/Overfilled	The quantity billed exceeds amount authorized by the prescriber or the quantity billed would last greater than the days' supply limit of the plan.	Prescriber statement* acceptable in cases of quantity billed that exceeds amount authorized by prescriber.
EXP	Expired Prescription	Prescription is filled greater than timeframe allowed by state and/or federal regulation.	Copy of the state or federal regulation defining the valid length of time the prescription can be filled.
IDS	Incorrect Days' Supply	The days' supply billed is not consistent with the quantity and directions described by prescriber.	No post audit documentation accepted.
INV	Invalid Prescription	Prescription does not conform to all applicable regulatory requirements.	Prescriber statement*. No post audit documentation accepted for CII-CV.
IOC	Incorrect Origin Code	Origin code submitted differs from the hard copy prescription.	No post audit documentation accepted; informational citation.
IPO	Invalid Physician's Order	Physician's order is not valid for the billed date of service.	Copy of physician's order or interim order that authorized the date of service billed.
ITX	Incomplete Transfer Information	Prescription does not have complete transfer information.	Prescriber statement*. No post audit documentation accepted for CII-CV.
ISH	Drug Invoice Shortage	Pharmacy billed for a higher quantity of drugs compared to amount purchased.	Invoice data submitted by the wholesaler(s) reported on the signed 'Pharmacy Attestation of Wholesalers'.
LAB	Missing or Incomplete Rx label	Rx label not received or does not conform to regulatory requirements.	A computer generated label or sticker with all defined Rx elements for requested date of service.
MDP	Member Denies Prescription	Member denied receiving the prescription or knowing the pharmacy.	Member statement** and member's explanation to justify initial claim(s) denied.
MLL	Mis-labeled	Label discrepancy in which Rx directions are not accurately described on Rx label provided to patient.	If therapeutic impact, include incident report that documented the error in a timely manner and proof that the prescriber and patient were notified.
MSL	Missing Signature Log or Delivery Manifest	Signature log or proof of receipt by member not received.	Member statement** or facility statement*** confirming medication was received, OR signature captured electronically.
MSP	Missing Prescription	Copy of prescription cannot be found in documentation submitted.	Prescriber statement* or original prescription hard copy (front and back). Telephoned or called in prescription hard copies are not accepted during the appeal phase.
N	No Standing Discrepancy	No discrepancies encountered.	Not applicable
NRS	No Response to Audit Request	Pharmacy failed to respond to audit request.	Original prescription hard copy (front and back) or prescriber statement*, Rx label, signature log and compound log (if applicable).
OTH	Other	Will be described depending on the error.	Will be specified depending on the error.
OTH2	Other	Will be described depending on the error.	Will be specified depending on the error.
PDP	Prescriber Denies Prescription	Prescriber denied authorizing prescriptions billed under his/her name.	Prescriber statement* with explanation to justify initial prescription denial and medical record to support prescriber statement.
RMA	Risk Management Authorization	No risk management authorization number recorded on prescription to authorize dispensing.	Original documentation or an archived profile note in the pharmacy system with time and date stamp that documents the date and RMA number.
RTS	Refill Too Soon	Refill too soon based on submission of correct days' supply.	No post audit documentation accepted.
SPL	Split quantity	Quantity billed is less than prescribed, resulting in frequent fills and dispensing fees and/or circumventing plan limitations.	No post audit documentation accepted.
SUP	Supervising MD Missing	Supervising MD name not on prescription hard copy written by mid-level practitioner.	Prescriber statement* from supervising MD. No post audit documentation accepted for CII-CV.
TEL	Incomplete Prescriber Information	Telephone prescription without prescriber identifier and/or missing name/ID of the prescriber's agent	No post audit documentation accepted; informational citation.

CODE	Description	Explanation	Required Documents for Appeals
		who transmitted the oral prescription.	
UAD	"Use As directed"/ No Directions Documented	Prescription hard copy missing specific, calculable directions.	Prescriber statement* containing one of the following specified directions 1.) Surface area and frequency or 2.) Maximum daily dose.
URF	Unauthorized Refills Billed	Refills for adjudicated claim are not specified on the prescription hard copy.	Prescriber statement* that indicates refill was authorized PRIOR to dispensing date.
WDD	Wrong Drug Dispensed or Billed	Pharmacy billed a different medication than the one ordered by the prescriber, with no documentation on prescription hard copy or member profile.	Prescriber statement* to verify authorized change. Appeal documentation accepted for substitution due to therapeutic exchange only.
WMB	Wrong Member Billed	The member identified on the prescription hard copy is not the member identified on the paid claim.	No post audit documentation accepted.
WPS	Wrong Prescriber Submitted	Incorrect prescriber submitted for claim adjudication or inappropriate use of prescriber ID.	If the correct prescriber has been sanctioned or otherwise excluded by payor, claim will be reversed. No post audit documentation accepted.
WSL	Wrong Signature Log	Signature log copy submitted is for a different date of service or different medication.	Signature log/Electronically captured signature for requested Date of Service, Member statement** or facility statement*** confirming medication was received.
XDEA	XDEA Number Missing	No XDEA number on Suboxone or Subutex prescription hard copy that is required for opioid dependence treatment.	No post audit documentation accepted.

**Prescriber Statement must be legible, be written on the prescriber's letterhead or on a pre-printed prescription blank that shows a fax header from the prescriber's office or an office stamp. The statement MUST include the following: 1) prescriber's full address and telephone number, 2) patient's name and date of birth, 3) medication, 4) strength and dosage form, 5) directions for use, 6) quantity prescribed, 7) refills (if any), 8) written or authorized date, 9) DAW indicator and 10) prescriber's handwritten signature.*

***Member statement must be legible and include the following: 1) patient's full name and address, 2) telephone number or contact information, 3) prescription number(s), 4) medication(s) and strength(s), 5) date(s) of service and 6) patient's signature.*

****Facility statement must be legible and include the following: 1) patient's name, 2) date of service, 3) prescription number(s), 4) medication(s) and strength(s), 5) quantity of medication delivered, 6) date of delivery, and 7) signature of staff who accepted delivery.*

CONTACT

If you have any questions concerning an ongoing audit, or general questions concerning any pharmacy audit related issues, please contact MedTrakRx Pharmacy Audits at MedtrakAudits@envisionrx.com or via the fax number listed on your audit letter. Please include the Pharmacy name, NCPDP #, contact information and audit ID # (if applicable). If faxing, please use the bar coded audit letter as your cover page.

DEFINITIONS

Abuse – intentional over-utilization or improper use of a drug that can result in potential Member harm and unnecessary costs.
Appeal – opportunity to dispute findings of an audit.
Audit – process of reviewing billed Claims according to prescription records, inventory records and signature logs.
Claims adjudication – billing entered by the Pharmacy according to the several elements on a prescription and the drug dispensed.
Discrepancy – an identified inaccuracy in a billed Claim according to submitted documentation. May or may not have financial impact.
Fraud – intentional misrepresentation of a Claim or service billed but not rendered.
Informational Citation – an identified discrepancy that does not have financial impact.
Waste – billing a quantity above the plan benefit structure allowance according to days' supply.

How To Report Suspected Fraud

You may report suspected fraud and other compliance issues anonymously to the Compliance Hotline.
Via phone: 1-866-417-3069
Online: myethicsline.envisionrx.com

Pharmacy Suspensions and Terminations

MedTrakRx will monitor and suspend a Pharmacy from participation in its Network if the Pharmacy has been identified or under review for engaging in any behavior or practice that:
Poses a significant risk to the health, welfare, or safety of any Member; or
Promotes or commits fraud, waste, or abuse; or
Commits an act, omission or material breach that is contrary to the criteria set forth in the PPA Agreement and the Pharmacy Manual.

In addition, MedTrakRx reserves the right to immediately suspend a Pharmacy upon becoming aware that the Pharmacy has been investigated, within the past five (5) years, or is currently under investigation by a federal or state governmental agency or regulatory body.

The following practices may constitute a breach of the PPA and may result in claims chargeback, suspension and termination from the Network, or other rights and remedies that may be available to EnvisionRx under the Agreement, or at law, or equity:

- Sharing ownership, partial ownership, officers, affiliates, principals or other relationships with pharmacies previously suspended or terminated from network;
- Shipping medications or supplies to members without their consent or initiation
- Shipping to states where pharmacy is not licensed
- Obtaining prescriptions through the use of telemarketing companies or services
- Submitting a large number of test claims
- Promoting drugs to patients, direct or indirectly, without prior relationship to patient
- Not collecting copayments (cost share) at time of service
- Utilizing secondary payer coupons or copayment cards that are not recognized or sponsored by pharmaceutical manufacturers, or offered through a recognized or verifiable patient assistance program operated by an independent charity in compliance with the OIG 2014 special Advisory Bulletin
- Not cooperating or providing access to books, records or facility during onsite audit
- Lack of pharmacist presence during an onsite audit
- Adjudicating components of a compound drug as separate ingredients, single-NDC claims

***- Adjudicating claims for compound drugs in which the ingredients are not supported by a medically acceptable indication through the same administration route for the condition being treated

- Adjudicating claims for compound drugs in which the same or similar formulation is present on the market
- Finding inventory shortages upon invoice reconciliation when comparing pharmacy drug utilization and purchase invoice records
- Insufficient records of inventory transfer(s) from/to commonly owned pharmacy location
- Insufficient records of inventory transfer(s) from/to another pharmacy (ex. sale, merger, etc.)
- Omitting information or providing inaccurate data on the credentialing or recredentialing application

- Failure to respond to recredentialing request or audit

***- Failing to complete and attest to the annual Medicare Part D FWA Training and general Compliance Trainings

- Refusing to service a member because of the reimbursement rate

If a Pharmacy is being investigated for any reason, MedTrakRx reserves the right to suspend the Pharmacy, until the investigation is complete. Once the investigation is completed, the Pharmacy will either be reinstated or terminated from participating in the Network. Unless otherwise specified by law, any Claims processed by the Pharmacy that are determined as invalid or ineligible Claims, if applicable, the entire Claim cost can be recouped by the Network, including any dispensing fee(s).

MedTrakRx may temporarily withhold payment or cancel checks, in whole or in part, and/or prevent claims adjudication during the suspension period.

MedTrakRx's remedies under this section include termination of the Pharmacy from the Network. These termination rights are in addition to any and all other rights and remedies that may be available to MedTrakRx under the Agreement, or at law, or equity.

Pharmacy may submit an appeal of the suspension or termination to MedTrakRx by writing to address provided in the Agreement notice within fourteen (14) days of receipt of such notice. The written appeal submitted by the Pharmacy must include supporting documents in order to be considered for reinstatement into the Network. MedTrakRx reserves the right to implement pharmacy network suspensions and/or termination issued by its affiliate, EnvisionRx.

Trouble-Shooting

If the pharmacy system is unable to make a connection with the claims processor's computer system, the pharmacy should contact its communication network vendor (or switch). For questions about eligibility, claims, and claims payments, the pharmacy should call the MedTrakRx Help Desk.

Written inquiries may be directed to:

MedTrakRx
10895 Lowell Avenue, Suite 100
Overland Park, KS 66210

SECTION 2: PLAN INFORMATION

Participating Pharmacy Network

Any pharmacy that (i) has a fully executed Pharmacy Services Agreement, signed by both the pharmacy and MedTrakRx, or (ii) has indirectly contracted with MedTrakRx via a PSAO is considered a MedTrakRx participating pharmacy.

General Plan Design

The following is a general discussion of MedTrakRx's plan design. Individual plans may vary. The pharmacy should refer to the online claims response to verify the plan specifications that apply to a particular drug claim.

Inclusions: The following items are typically covered:

- Federal legend drugs
- Compounded medications in which at least one ingredient is a legend drug
- Injectable Anti-Diabetics (OTC Insulin-Rx required)

Exclusions: The following items are typically not covered:

- Abortifacients
- Anabolic steroids (Testosterone for male hypogonadism)
- Anti-Obesity/Anorexiant drugs
- Blood sera
- Botox
- Contraceptive implants and topicals (IUDs and diaphragms)
- Cosmetic drugs (Rogaine, Propecia)
- Diabetic administration supplies (Pumps/supplies with the exception of Insulin syringes/needles)
- Diagnostic test supplies
- Emergency contraceptives
- Erectile dysfunction drugs (ED)-P5 inhibitors (Cialis, Levitra, Viagra)
- Fertility agents
- Fluoride preparations
- Growth stimulating products
- Homeopathic drugs
- Inhaler devices
- Legend drugs with over-the-counter equivalents
- Needles and syringes (except insulin needles and syringes)
- Nutritional and dietary supplements
- Over-the-counter drugs (except insulin)
- Therapeutic devices or appliances and other non-medicinal substances
- Vaccines /Serums/Toxoids/Allergens

- Charges for injection or administration of a drug
- Drugs dispensed to replace lost, stolen, broken or thrown away medications
- Drugs entirely consumed at the time and place of prescribing
- Prescriptions dispensed without charge to eligible members due to Workers' Compensation laws (exception: Workers' Compensation plans)
- Experimental drugs or drugs labeled, "Caution - Limited by federal law to investigational use"
- Medication to be taken by or administered to an eligible member while a patient in a licensed hospital, nursing home, or similar situation, which operates or allows to be operated on its premises a facility for dispensing pharmaceuticals
- Refills in excess of the number specified or authorized by the physician or any refill dispensed after one year from the physician's original order.
- Mailing and delivery charges

Prior Authorization

Some medications may require prior authorization by MedTrakRx.

Dispensing Limits

For each covered medication dispensed at a participating pharmacy, the pharmacist should exercise sound professional judgment regarding drug dispensing practices and act in accordance with all state and federal regulations. In general, the quantity dispensed will not exceed the quantity prescribed. In addition, the quantity dispensed will usually not exceed a 34-day supply for acute medications and a 90-day supply for maintenance medications.

Maintenance Medications

Maintenance medications are drugs which, when used regularly by individuals with chronic medical conditions, will prevent debilitating diseases. Prescriptions for maintenance medications may qualify for a maximum dispensing quantity of 90 days. However, not all dosage forms of maintenance medications qualify for a 90-day supply (e.g., topical products, sublingual tablets, suppositories, ophthalmic products, inhalers, etc.).

Types of Member-Pav Programs

- Shared-Pay Program. The participating pharmacy submits its claim(s) electronically to MedTrakRx. The eligible member pays all applicable deductibles and copayments at the participating pharmacy. Through MedTrakRx, the plan sponsor pays the pharmacy any pharmacy reimbursement due.
- Full-Pay Funded Program. The participating pharmacy submits the eligible member's claim(s) electronically to MedTrakRx. The eligible member pays the total pharmacy reimbursement at the participating pharmacy. MedTrakRx sends the claim(s) to the plan sponsor's claims administrator. The claims administrator pays the eligible member any pharmacy reimbursement due.

Deductible

Within shared-pay programs, there can be an individual or a family deductible. In these cases, the eligible member pays one hundred (100) percent of the total pharmacy reimbursement for each covered medication until the applicable deductible is satisfied.

Copayment

Within shared-pay programs, once any applicable deductible is satisfied and for the remainder of the calendar or the contract year, the eligible member pays the applicable copayment for each covered medication. The copayment can be a fee that varies for generic, branded and formulary drug products; or it can be a percentage of the total pharmacy reimbursement, which also may vary for generic, branded and formulary drug products; or it can be a combination of these two alternatives.

Cost Share Collection

Copayments, coinsurances and deductibles refer to Member cost share. Your Pharmacy must collect the full amount of the Member's Cost Share as determined by the MedtrakRx Online Claims Processing system. Copayments, coinsurances or deductibles are not eligible to be discounted or excused/waived at any time by your Pharmacy. And you may not collect copayments, coinsurances and deductibles that exceed your Pharmacy's U&C.

Benefit Maximum

Within shared-pay programs, a predetermined ceiling can be set on covered medication claims expense of member-out-of-pocket costs for an individual or a family. If an individual or a family reaches this benefit maximum during the calendar or the contract year, the benefit can be modified or terminated.

Mandatory Generic Program

For shared-pay programs, if the medication prescribed is available as a generic but the pharmacy dispenses the brand, the eligible member must pay the applicable copayment for the branded drug product plus the difference in product cost between the branded and the generic drug products.

Out-of-Network

An eligible member may get a prescription filled at a non-participating pharmacy, but he/she must pay the non-participating pharmacy's usual and customary charge for the prescription. The eligible member must then submit a claim to receive reimbursement for shared-pay programs may be at the non-participating pharmacy's usual and customary charge less any applicable deductible and/or copayment, or at the total pharmacy reimbursement less any applicable deductible and/or copayment.

Drug Utilization Review

In addition to Online Drug Utilization Review, which is discussed in Section 1 of this Manual, MedTrakRx also reviews retrospectively the drug utilization by plan sponsors' eligible members. When a potential drug utilization problem is identified by MedTrakRx, MedTrakRx contacts the appropriate participating pharmacy, determines the severity of the problem, and discusses with a pharmacist the best course of action for resolving it. The pharmacy is expected to cooperate with and support MedTrakRx's drug utilization review programs.

Formulary Management

MedTrakRx promotes its formulary to physicians, participating pharmacies and eligible members, it also monitors compliance with the formulary. When a non-formulary drug is dispensed, MedTrakRx may contact the participating pharmacy and discuss with a pharmacist the feasibility of substituting a therapeutic equivalent. The pharmacy is expected to cooperate with and support MedTrakRx's formulary programs to the extent possible.