

For our Pharmacy Providers

Spring 2001

NEWS AND VIEWS

Welcome to the spring edition of our quarterly newsletter for the year 2001. We are now into our third year of operations as the claims processor for the NIHB Program of the First Nations and Inuit Health Branch (FNIHB) of Health Canada.

Again, FCH would like to thank you for your support as you continue to provide quality health services to First Nations and Inuit clients of the NIHB Program.

As always, your comments and questions are welcome. Please call our FCH NIHB Toll-Free Inquiry Centre's Customer Service Representatives at **1-888-511-4666**, or send your correspondence to:

FCH Provider Relations
3080 Yonge Street, Suite 3002
Toronto, ON M4N 3N1

NIHB DRUG BENEFIT LIST UPDATES

Please find attached the spring 2001 updates. The changes announced in the updates are reflected in the April 1, 2001 NIHB Drug Benefit List. Providers who requested a hard copy of the NIHB Drug Benefit List should be receiving it shortly. The revised NIHB Drug Benefit List as well as the updates are available for download and printing on the NIHB website at the following Internet address:

www.hc-sc.gc.ca/msb/nihb/list_e.htm

MS&E CHANGES EFFECTIVE APRIL 1, 2001

In February, Dr. Peter Cooney's office, Director General of the NIHB Program, mailed you a package, which included the revised content for your Pharmacy/MS&E Provider Information Kit and four NIHB MS&E Bulletins. These documents contain important information for the provision of MS&E benefits and should be reviewed carefully.

Changes to MS&E Benefits

The review of MS&E benefits confirmed that the range of benefits provided under the NIHB Program, either directly on the benefit lists or provided through the exception process, continues to address clients' needs. However, the review highlighted the need for improved management practices. Changes made as a result of the review include:

- Establishment of prescriber requirements

- Establishment of provider requirements
- Diagnostic and assessment criteria requirements
- Consultant review of benefit requests
- Increased number of benefit codes (to facilitate billing and clearly identify eligible benefits)
- Removal of some prior approval requirements
- Establishment of repair, replacement and warranty guidelines

Pharmacy/MS&E Provider Information Kit

The new section 10 of your Pharmacy/MS&E Provider Information Kit includes NIHB MS&E general policies and procedures (sub-section 10A) and policies and procedures for each of the MS&E benefit categories (sub-section 10B), specifically:

- Audiology
- General MS&E
- Orthotic and custom footwear
- Oxygen therapy
- Pressure garments and pressure orthotics
- Prosthetics
- Respiratory therapy

For ease of referral, you may wish to keep the green sheets inserted between each category.

A list of the items available is included at the end of each of the MS&E benefit categories. As well, sub-section 10B.8 is the complete MS&E Benefit List in alphabetical order by category.

This is a complete new list of codes. Please ensure that you use these codes for any claims with date of service on or after April 1, 2001.

Prior Approvals BEFORE April 1, 2001

For MS&E claims with a prior approval issued before April 1, 2001, please continue to use the old benefit codes for the duration of the prior approval period. As well, MS&E claims with a date of service prior to April 1, 2001 must be submitted using the old benefit codes.

Benefits Provided ON or AFTER April 1, 2001

For all services provided on or after April 1, 2001, the new item codes must be used. Claims with date of service on or after April 1, 2001, submitted with the old benefit codes will be rejected and returned to you.

In addition to the new section 10 you received in February, please find attached the revised pages for your NIHB Pharmacy/Medical Supplies and Equipment Provider Information Kit (PPIK). Please remove the existing pages from your PPIK, and insert the revised ones.

MS&E BENEFITS REMOVED FROM THE NIHB MS&E BENEFIT LIST

The items listed below are now available for reimbursement through pharmacy providers only:

- diabetic supplies (e.g. urine and blood testing supplies, glucose monitors, needles and syringes)
- all purpose needles and syringes
- condoms/contraceptive aids
- spacers for inhalation

Although these items have been removed from the NIHB MS&E Benefit List, they are included on the NIHB Drug Benefit List.

Effective April 1, 2001, non-pharmacy MS&E providers will no longer be able to bill for these items. This change was implemented to have items billed consistently through one type of provider and with one pricing policy.

Attached is a list of the pseudo-Dins that pharmacists must now use when claiming for the MS&E benefits listed above. Effective April 1, 2001, the benefit codes for these items listed in sub-sections 6.3.1 and 6.3.2 of your Pharmacy/MS&E Provider Information Kit will no longer be valid.

DISPENSING OF PHARMACY AND MS&E BENEFITS

Claims must be submitted according to client usage up to a maximum of 100-day supply. This will reduce the risk of waste and the need for cost recovery should the medical condition of the client change or the provider be paid for a full year's supply but the client having not received the full year supply.

NEW DEFINITION OF APPROVED MARK-UP FOR PRIOR APPROVALS INVOLVING REFILLS

Effective April 2, 2001, prior approval confirmation letters for drug items involving refills will indicate the approved mark-up for each claim against the prior approval, instead of the total mark-up allowed for all claims against the prior approval. The mark-up on each claim against the prior approval must not exceed the approved mark-up amount on the prior approval confirmation letter.

Please note that the quantity and total approved dollar amounts on prior approval confirmation letters for drug items involving refills will continue to indicate the total amounts approved for all claims against the prior approval

up to the indicated number of refills.

NIHB PHARMACY/MS&E PROVIDER AUDIT FRAMEWORK

FCH conducts pharmacy/MS&E provider audit activities on behalf of the NIHB Program. These activities address the needs of the NIHB Program to comply with accountability requirements for the use of public funds and to ensure provider compliance with the terms and conditions outlined in the FCH Management Corporation Inc. Pharmacy/MS&E Provider Agreement. The components of the Pharmacy Audit Framework are outlined below.

The **Next-Day Quality Assurance Program** consists of a review of a defined sample of claims submitted by providers the day following receipt by FCH. Providers may be contacted to ensure compliance with NIHB Program policies and procedures.

The **Client Confirmation Program** consists of a quarterly mailout to a randomly selected number of NIHB clients to confirm receipt of benefits that have been billed on their behalf.

The **Provider Profiling Program** consists of a review of the billings of all providers against selected criteria and the determination of the most appropriate follow up activity if concerns are identified.

The **On-site Audit Program** consists of the selection of a focused sample of claims for validation with provider's records through an on-site visit.

APPEAL PROCESS

When a client is denied a benefit, three levels of appeal are available under the NIHB Program, which only the client can initiate. At each level, the appeal must be submitted in writing and must be accompanied by supporting information from the health care provider. The following information should be included:

- The condition (diagnosis and prognosis) for which the benefit or service is being requested;
- Alternatives that have been tried;
- Relevant diagnostic test results; and
- Justification for the proposed benefit or service.

A health care consultant, who will provide a recommendation to First Nations and Inuit Health Branch (FNIHB), will review the appeal. The final decision will be made by FNIHB, based on the consultant's recommendation, client's specific needs, the availability of alternatives, and NIHB policy.

Information sheets outlining the three levels of appeal and the addresses are available from the FNIHB Regional Offices or on the NIHB web site at the following address:

www.hc-sc.gc.ca/msb/nihb/prod_e.htm