

# PACE

## PROVIDER BULLETIN

September 21, 2001

### Bronchodilator Drugs

On December 13, 1999, PACE began denying claims at the point of sale for all Medicare Reimbursable Agents. This was done in response to provider complaints that, although the claim was identified by their system as “paid,” the reimbursement was based on the amount not covered by Medicare (currently 20%). Although the Program accompanied the paid response with the PACE message code, “916, Other Coverage Identified, Medicare Primary Payor,” some software did not display this message.

*By requiring providers to call for a medical exception, informing them that their payment would be based on the amount not covered by Medicare, i.e. approximately 20%, the intent was that the provider community would be better served.*

In the case of the bronchodilator drugs, e.g., albuterol sulfate, acetylcysteine, providers have urged the Program to reconsider this decision. Providers maintain they are aware that bronchodilator solutions are to be billed to Medicare as the primary payer with PACE being billed for the remainder. Moreover providers have emphatically stated that denying these solutions at the point of sale, thereby necessitating a request for a medical exception for the amount not reimbursable by Medicare, only impedes their ability to service PACE cardholders.

**Therefore effective Monday October 1, 2001, PACE will remove the restriction on bronchodilator solutions. Claims for these solutions will reimburse based on the amount not covered by Medicare, currently 20%, accompanied by the PACE message code, “916, Other Coverage Identified, Medicare Primary Payor.”**

Providers believing a medical exception is warranted to receive reimbursement exceeding this 20% must contact Provider Services prior to dispensing for the claim to be considered for a medical exception.

Providers are also advised that requests made after the date of service for reimbursement for the amount exceeding the Medicare calculation for bronchodilator drugs, based on the argument that the Program “paid” the claim, will not be considered.

Providers may direct questions to Provider Services at:

**1-800-835-4080**