

To: Network Pharmacy
From: Elixir
Date: Friday, April 30th, 2021
Re: The Pharmacy Audit Whisperer – Avoiding Audit Chargebacks

The purpose of this communication is to share reminders and tips on:

- Audit timeliness
- Continued appropriate utilization of Service Code Override 13
- Accurate claims submission

Audit Timeliness

- Elixir expects pharmacies to respond to audit requests within the allotted time frame as indicated on the audit request and discrepancy letters. Audit extensions are considered on a case by case basis and handled in writing only via email or fax. Extension requests received less than three (3) days prior to the due date for an audit response will not be considered. Extension requests may be approved or denied at Elixir's discretion.
- Pharmacies that did not respond to the audit request are voiding their right to appeal findings encountered upon record review.
- Investigational audits, Medicare, and/or Medicaid Plan Sponsor-requested desk audits have shorter turnaround time for responses.

Continued Use of Service Code Override 13

Utilize SCC-13 override when the patient requests refill(s) due to the COVID-19 crisis or other payer recognized emergency situations. Do not use SCC-13 to override refill too soon rejections unless related to the state of emergency. Lack of proper documentation, abusive, or careless use of SCC-13 is subject to audit and charge backs. Ensure your pharmacy claims adjudication software does not carry over the SCC-13 across refills to avoid audit scrutiny.

Accurate Claims Submission

The following tips and reminders are based on recent discrepancies found during audit and claims review:

- Topical Medications
 - Require directions that reflect a treatment area and/or calculable amount to derive the accurate days' supply. During an audit, directions that state UAD for 30 days will not be accepted for more than the smallest package size available.
 - When utilizing online calculators to determine dispense quantity for topical products, keep in mind that the calculator can round up the quantity needed based on meeting the minimum days' supply entered. Measurements are required to be documented on the prescription hard copy when the manufacturer calculators are available.
- Ophthalmic Medications
 - Use the calculation per Elixir Pharmacy Manual unless the manufacturer provides a specified calculation in the drug insert.
 - Be mindful of unique expirations once the bottle is opened. For example, Rhopressa and Latanoprost expire six weeks after opening.
- Initiated Prescriptions: Pharmacy shall not deliver Covered Drugs to a Member without the Member's consent prior to each delivery. Additionally, Pharmacy agrees that it will not bill for reimbursement for Member's Covered Drug prescriptions until and unless the Member has received such prescriptions.

Privacy & Confidentiality of Information Notice: This communication may contain non-public, confidential, or legally privileged information intended for the sole use of the designated recipients. If you are not the intended recipient, or have received this communication in error, please notify the sender immediately by reply email or by telephone at 800.361.4542, and delete all copies of this communication, including attachments, without reading them or saving them to disk. If you are the intended recipient, you must secure the contents in accordance with all applicable state or federal requirements related to the privacy and confidentiality of information, including the HIPAA Privacy guidelines.

IF YOU DO NOT WISH TO RECEIVE EMAILS from an Elixir company you may send a request to us via fax to 866.250.5178 (toll free) or via email to care@elixirsolutions.com (must state "Email Opt Out" in the subject line) or call 800.361.4542 (toll free) instructing us not to send you further emails. Your request will be deemed valid only if: (1) it contains the address(es) of the email(s) that should not receive an email from us; and (2) you do not subsequently give us permission to send emails to the previously provided email address. You must request that we resume emails to you by contacting us at the telephone number, fax number, or email address listed above. Federal law requires us to comply with your request within 30 days.

- Pharmacies must be aware of Medicare Part D requirements when submitting claims for Part D beneficiaries. Covered Part D drugs are prescribed for “medically-accepted indications” i.e. use of medication according to FDA approved labeling or off label use if drugs are identified as safe and effective for use in one of the officially recognized drug compendia. Payments for Part D drugs that are not for medically accepted indications are considered potential fraud or abuse.
- Pharmacies should be familiar with practices that may constitute a breach of the Participating Provider Agreement as listed on page 10-11 of the Elixir Pharmacy Manual. The current version can be found here:
<https://www.elixirsolutions.com/content/dam/elixirdotcom/providers/Pharmacy%20Manual%20v47.pdf>

All Pharmacy Audit Whisperer communications are available at Elixir’s website, under the “Providers” > “Pharmacy Resources” > “Bulletins and Communications” section, at <https://www.elixirsolutions.com/providers>. Please make sure to consult all past communications to remain in compliance with network expectations.

If you have any questions regarding this communication, please contact PharmacyAudits@elixirsolutions.com.

Thank you,

Elixir