

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Post Office Box 8206
Columbia, South Carolina 29202-8206
www.scdhhs.gov
February 2, 2010

Pharm

MEDICAID BULLETIN

TO: Providers Indicated

SUBJECT: Dispense as Written (DAW) Code for Brand Medically Necessary Prescriptions

Effective for dates of service on or after February 17, 2010, the South Carolina Department of Health and Human Services (SCDHHS) will cease the use of DAW 6 in order to obtain higher reimbursement for prescription medications for which the prescriber has indicated that the brand product is medically necessary.

Providers should submit "1" in the DAW/Product Selection Code Field i.e. National Council for Prescription Drug Programs (NCPDP) Field 408-D8 when a prescriber indicates that the brand product is medically necessary. Providers are reminded that federal regulations require that this be indicated on the face of the prescription in the prescriber's own handwriting. A prescriber's signature on the DAW line does not suffice for the submission of DAW 1 on a claim submitted to South Carolina Medicaid. If a DAW of 1 is submitted on a claim for a product for which there is a Maximum Allowable Cost (MAC) or Federal Upper Limit (FUL) price, the claim will require prior authorization. For this authorization, the prescriber should complete the South Carolina Medicaid MedWatch form and submit it to the First Health clinical call center for consideration. This form, along with instructions for its completion and submission, can be found on the First Health website at:

http://southcarolina.fhsc.com/Downloads/provider/medwatch_form.pdf.

Claims for which product selection is not an issue may be submitted with a DAW code of 0.

In those instances where SC Medicaid prefers a brand product over its generic alternatives, providers may use a DAW code of 9 to indicate that the brand product is mandated by SC Medicaid.

DAW codes not specifically mentioned in this Bulletin may be submitted as appropriate based on (NCPDP) standards.

If you have any questions regarding this bulletin or any other Medicaid billing or policy questions, please contact your Program Representative at (803) 898-2876. Thank you for your continued support and participation in the South Carolina Medicaid program.

/S/
Emma Forkner
Director

EF/mgd

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