CIGNA Pharmacy Management
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Commercial Business Update

CIGNA Establishes a New Legal Entity

As part of CIGNA's commitment to be a global health services company, we are creating a new legal entity with a name that clearly describes what we do. The new legal entity name is:

CIGNA Health and Life Insurance Company (CHLIC)

The gradual transition from the use of Connecticut General Life Insurance Company (CGLIC) as the only company that underwrites certain types of contracts to include CIGNA Health and Life Insurance Company (CHLIC) will begin in November 2010.

What this means for Pharmacy Network Providers: There are very little impacts to health care professionals as a result of this change. There will be no changes to the way they do business with us, the current reimbursement procedures they use, or their reimbursement. At this time, health care professional contracts will not change.

Websites and communication materials will begin to include the new legal entity, CIGNA Health and Life Insurance Company, along with CGLIC, in legal lines. Beginning in November, the new legal entity will begin to appear on some ID cards, Explanations of Payments, and other system-generated materials.

Commercial Business Update – continue >

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Commercial Business Update – continued

Select preventative medication coverage changes:

Due to the recent passage of The Patient Protection and Affordable Care Act (PPACA) or 'Healthcare Reform', CIGNA Pharmacy Management (CPM) will cover select preventive medications at no cost to some of our customers.

This change will impact customers with plans renewing on or after October 1, 2010. However, the majority of our customers will not be affected by this change until January 1, 2011, when most of CPM benefit plans renew.

What this means to our contracted pharmacies:

Specific over-the-counter (OTC) medications may now be covered (at no cost to the customer) under some customer's CPM benefit plans. The following categories of both prescription and OTC medications will be administered under our pharmacy benefits and **will require a valid prescription** for customers who meet the criteria:

Medication	Examples	Ages
Aspirin to prevent cardiovascular disease (OTC)	Ascriptin, Bufferin, Halfprin	Men, ages 45-79 Women, ages 55-79
Iron Supplementation (OTC) (for children at increased risk for iron-deficiency anemia)	Fer In Sol, Vitafol, ICAR, Fer-Gen-Sol	Children, ages 6-12 months
Folic Acid Supplementation (for women planning or capable of pregnancy)	Prenatal, Natalcare, Optinate, Folic Acid	Women of childbearing age
Oral Fluoride Supplementation (where water source does not contain fluoride)	Poly Vi Flor, Fluor-A-Day, Luride, Fluritab	Children, ages 6 months to preschool

- Note: Ocular topical medication for newborns is also referenced in the regulations; however, this medication is typically covered under the medical benefit.

When a customer presents a prescription for any of the selected medications, the prescription should be processed through the online system to confirm eligibility and coverage. Standard plan benefit quantity limits and pricing methodology will apply with no copayment to the customer.

CIGNA expects ongoing clarification of the requirements of the PPACA legislation, and our policies and coverage standards will evolve accordingly. To get the most current information visit **www.informedonreform.com** or **CIGNA.com** and click the "Informed on Reform" link.

Importance of processing claims via the Online System:

We need to remind pharmacies of their contractual obligation to process claims via the Online System and collecting the member cost share communicated via the Online System. Prescriptions that are "cashed-out" or not processed via the Online System do not count towards customer coinsurance or deductible limits and disqualify that customer from eligibility in our clinical programs. CIGNA Pharmacy Management will be monitoring "cashing-out" practices of contracted pharmacies and taking the necessary actions to prevent these contract violations.

Retail Pharmacy Specialty Network Amendment – Effective 01/01/2011:

CIGNA Pharmacy Management will be mailing an Amendment with a Specialty Fee Schedule to our contracted pharmacy providers beginning in November. This Amendment will allow retail pharmacies to continue to fill prescriptions for Specialty Drugs. If your pharmacy does not receive this Amendment by November 30, 2010, please contact CIGNA Pharmacy Network Operations by fax at (860) 226-3535 or by e-mail at PharmacyNetworkOperations@cigna.com. Please provide your pharmacy contact information and a request for the Retail Pharmacy Specialty Network Amendment.

Medicare Part D Update:

Upcoming CMS Financial Audit

The Centers for Medicare and Medicaid Services (CMS) has notified CIGNA that they will be conducting a financial audit of one of CIGNA's Medicare Part-D Plans. This will reportedly occur in September or October; however the exact date is unknown. As part of CIGNA's pharmacy network, you are required to comply with document requests to confirm that service was provided to a Medicare recipient. This may be in the form of copies of prescriptions and/or patient verification (i.e. signature logs). The CIGNA Pharmacy Audit department will notify you of any information that is required.

Documentation of Compliance Training for HIPAA and Fraud, Waste & Abuse (F/W/A)

As outlined in Chapter 9 of the Medicare Prescription Drug Benefit manual, CMS requires that Medicare Part-D Sponsors, first tier entities, and related entities receive annual compliance training. Annual Compliance training, including HIPAA and Fraud Waste & Abuse training, is required for all persons involved in the delivery or administration or delivery of the Medicare Part-D benefit.

You may already have an established Code of Conduct and Compliance program within your organization. However if you do not, or would like to supplement your existing training, CIGNA has made its Medicare Compliance Training presentation module available, which can be accessed by the web link below. The training is geared towards CIGNA, and if you elect to use it, you should modify the information as appropriate for your organization, or 'downstream' entity.
http://www.cigna.com/customer_care/healthcare_professional/pharmacy/documents/Medicare_Compliance_Training.ppt#374

To support your compliance with the annual Compliance, HIPAA, and Fraud Waste & Abuse training, you should maintain a log of employees requiring training, completing training, and the materials utilized in the training. This information must be available upon request from the Sponsor plan or CMS.

Medicare – Part D 'Transitional' Claims & Prior Authorization Messaging

Transitional benefits is a CMS mandated policy intended to reduce potential negative impact of beneficiaries switching plans or from plans changing their Prescription Drug Lists (Formularies). For beneficiaries new to CIGNA Medicare Part D plans within their first 90 days of eligibility, transitional benefits will allow a one-time, first fill override for up to 31-day supply of medications that normally would require prior authorizations for step therapy edits, coverage or formulary issues. **New for 2011, the first fill will adjudicate, without Prior Authorization Code (PAC), and return the message "NON LTC TRANS BENEFIT USE PAC 21000".** However, for the next fill, the beneficiary or the pharmacy will need to contact the prescriber to change the medication or request a prior authorization.

In cases other than 'transitional claims,' CIGNA will provide a Prior Authorization code in the response box when a claim is rejected. It is important to review all messages returned on a rejected claim, to expedite processing and lessen the impact on the beneficiary/patient.

Upcoming Medicare Part D formulary changes

Effective 11/01/2010, Effexor XR will be moved from Preferred Brand (PB) to not covered and it's new generic form will be added on Tier 1 for Access, Plan One & Plan Three plans, Tier 2 for Plan Two. CIGNA Medicare websites will be updated to reflect these changes and all affected beneficiaries currently using Effexor XR were notified via the Explanation of Benefit (EOB) forms.

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Reminders

Pharmacy Audit reminder:

Please be aware that any claims found to be discrepant during an audit are in essence frozen from any corrective action on the pharmacy's part until further notice or approval for such an action is granted by CIGNA Pharmacy Management. Any claims found to be discrepant are potentially subject to chargeback. Any pharmacy that reverses a discrepant claim post audit without permission from CIGNA Pharmacy Management bears the risk of the claim being charged back as penalty. In addition, CIGNA Help Desk does not have authority to grant permission for reversal/adjustment activity on discrepancy claims found during an audit.

Diabetic test strip reminder:

For CIGNA's commercial plans, the preferred diabetic test strips are those manufactured by LifeScan (OneTouch) and Roche (Accu-Chek). Starting 8/6/2010, CIGNA requires an authorization code to process claims for test strips for manufacturers other than Roche or Lifescan. Claims processed for the non-preferred test strips receive a hard edit denial with the following message:

FREE PREF MTR 1-800-835-7937 #3 PAC0810

In order to process the rejected claims for non-preferred test strips, pharmacies need to enter **authorization code 0810**. This code will also need to be entered for each subsequent fill. If a customer presents a prescription for a test strip other than those manufactured by Lifescan OneTouch or Roche Accu-Chek, CIGNA asks that you let them know that they are eligible to receive a Free Lifescan or Roche meter by calling 1-800-835-7937, option 3. The new meter will be sent directly to the customer's home address. The PAC code and free meter offer only applies to customers <65 years old.

We're Here When You Need Us

Contact us

> For claims processing or Medicare Part D questions, call CIGNA Pharmacy Help Desk at **1.800.558.9363**

> For contracting questions, email Pharmacy Operations at **pharmacynetworkoperations@cigna.com**

> For additional information, visit us online:
www.cigna.com/pharmacists
www.cigna.com/sites/cignamedicare/index.html

Online lookup

For better results at **www.CIGNA.com/pharmacists**, try searching using the following key phrases:

> Outcome improvement programs

> Drug coverage positions

> Error message codes

> Newsletter archives

Give Us Your Feedback

We would appreciate any input you may have, including how to make this document more useful as a tool to help you serve our customers. Feel free to contact Pharmacy Network Operations via mail, email or fax with your suggestions and comments.

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