

## Children on Medical Assistance Should *Never* Pay a Co-Pay for Prescriptions Even When They Have Other Private Coverage

### A Fact Sheet for Families and Pharmacies

Prepared by the Disability Rights Network of Pennsylvania

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**Parents:** Did you know that if your child (under 18) receives Medical Assistance or is in a Medical Assistance Managed Care plan (HealthChoices), *you should never have to pay a penny for their medications!* This is true even when you have other insurance coverage in addition to Medical Assistance. Be sure to use a pharmacy that accepts Medical Assistance or is in your HealthChoices network (and, if possible, accepts your private insurance as well). The pharmacy should bill your other insurance first then bill Medical Assistance for the difference. Medical Assistance will pay your co-pay or other co-insurance amount. The only time Medical Assistance will not pay is if your private insurance has already paid more than the amount Medical Assistance would have paid if it were your only insurance. In this case you are still *not obligated to pay a co-pay.*

#### Examples:

Emily Smith has Pennsylvania Green private health insurance through her mother's work, and is also covered by Medical Assistance. Mrs. Smith goes to ABC Pharmacy to fill Emily's prescription and presents both insurance cards. Pennsylvania Green allows a charge of \$50 for the drug, but requires the consumer to pay a \$10 co-pay. ABC Pharmacy will bill Pennsylvania Green for the \$40 and Medical Assistance for the \$10 co-pay and Emily will pay nothing.

Assume the same facts above, with a small change. As in the first example, Pennsylvania Green allows a charge of \$50 for the drug, and requires a \$10 copayment. But in this case, Medical Assistance only pays \$40 for the drug. Mrs. Smith gives both insurance cards to the pharmacist. The pharmacy receives \$40 from Pennsylvania Green, but nothing from Medical Assistance, because \$40 is all Medical Assistance would have paid if it had been the only insurance. In this case, Emily still pays nothing because the pharmacist is no worse off than if she had only had Medical Assistance coverage. The pharmacy is considered to be paid in full, and cannot charge Emily for the difference.

*On the back of this page is a guide for your pharmacist to explain how your child's prescriptions should be billed. If you were forced to pay a co-pay by your pharmacist even after showing this fact sheet, please contact our Intake Department at the number above.*

(See reverse for information for pharmacies)

**Guidelines for Pharmacies**  
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Citations to PA Promise Provider Handbook: NCPDP 5.1/Pharmacy Billing  
Contact the Pharmacy & Ancillary Unit with questions 1-800-932-0938 OR 1-800-537-8861.

A pharmacy participating in Medical Assistance (MA) may not collect a co-pay from an MA recipient under 18 years of age for a covered prescription. For recipients over 18 years of age, "if the recipient is unable to pay, *the service may not be denied.*" 4.11.1, 4.11

"Medical Assistance is considered the payor of last resort. All other insurance coverage must be exhausted before billing MA." 4.8

"If other insurance coverage exists, you must bill it first. You would only bill MA for unsatisfied deductible or coinsurance amounts or if the payment you receive from the other insurance coverage is less than the MA fee for that service. In either case, *MA will limit its payment to the MA fee for that service.*" 4.8

○ **NOTE:** The MA Program is responsible for payment of the unsatisfied portion of the bill up to the MA fee. Thus, if you will receive equal to or more than the MA rate for a prescription from the child's primary insurance, MA will pay nothing. In this case, you may **not** collect any copayments or co-insurance from the child *even if* they are payable under the child's other insurance plan. You are deemed to have received adequate payment under Medical Assistance rules in this case even if you have received nothing from MA.