



Potential Overbilling in Pharmacy

This guide explains common pharmacy billing errors. The Office of the Inspector General (OIG) reviews billing data that potentially shows double billing, excessive billing, or early refills.

ForwardHealth coverage policy requires pharmacy providers to:

- Dispense all legend drugs in the full quantity prescribed.
- Submit an accurate claim for the quantity dispensed.
- Not exceed a 34-day supply unless a three-month supply is allowed.

What is double billing?

Examples of double billing include:

- The pharmacy provider submits more than one claim for the same service to the same Medicaid member.
- More than one pharmacy provider bills for the same service for the same Medicaid member.

What is excessive billing?

Examples of excessive billing include:

- The quantity billed is more than the 34-day supply limit.
- The prescription was refilled too soon.
- The quantity billed is more than the product package size.

What is an early refill?

An early refill is when a member requests a refill before 80% of the previous fill has been used.

Pharmacies receive an overuse precaution alert when a member requests an early refill. The alert shows the number of days that should remain on the prescription, not the day that the drug can be refilled. Pharmacies do not receive an alert for prescriptions billed for a 10-day supply or less.

The "Early Refill (ER)" alert monitors a [list](#) of drug types. Antibiotics, insulins, IV solutions, electrolytes (except potassium, blood components and factors), and diagnostic drugs are left out of this list.

What are the documentation requirements?

Pharmacy providers are required to show the actual quantity dispensed and the correct days' supply on claims.

Where can you find more information?

- Topic #12977 of the ForwardHealth Pharmacy Provider Handbook
- Topic #21597 for the prospective drug utilization review system override policies
- [Wis. Admin. Code § DHS 107.10\(3\)\(d\)](#) for the pharmacy provider's quantity dispensing responsibility

Disclaimer: Please look at DHS Administrative Code and the ForwardHealth Provider Handbook for the most current policy on this topic. This guide is for informational purposes only.

