



**COLORADO**  
Department of Health Care  
Policy & Financing

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Denver, CO 80203

# M-REACH Phase 1 Pharmacy Policy

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## Scope

Medicaid Reentry and Community Health (M-REACH) includes coverage for a 30-day supply of medications to be provided at release from incarceration. Prescription coverage with M-REACH will align with existing Health First Colorado [pharmacy benefits](#).

The 30-day supply of medications provided at the time of release will be billed to the pharmacy benefit on the INCAR package. Members will leave with prescriptions in hand. This policy outlines the process for the 30-day supply of prescription medications, the only M-REACH benefit to be billed to pharmacies. MAT medications up to 90 days prior to release will be billed through the medical benefit.

Phase 1 of M-REACH applies to state-run correctional facilities - Division of Youth Services (DYS) and Department of Corrections (DOC).

## Prescriber and Pharmacy [Provider Enrollment](#)

For a pharmacy claim to adjudicate, the pharmacy and the prescriber must be enrolled with Colorado Medicaid to bill for the 30-day prescriptions upon release.

### Pharmacy enrollment:

- Pharmacies identified by DOC and DYS to fill release prescriptions should enroll as pharmacy provider type 09 (under the Pharmacy dropdown), specialty 461.
- The identified pharmacy may be internal or external to the facility.

### Prescriber enrollment:

- All prescribers must complete an individual enrollment, referred to as an 'Individual within a Group' (IWG), and will affiliate with a group/clinic/pharmacy. NOTE: the group/clinic/pharmacy must be enrolled first so the IWG can add the affiliation. Additional information on these types of enrollment are available [here](#).
- If the prescriber is a pharmacist, they should enroll as provider type 75 (under the Pharmacist dropdown) and affiliate with the pharmacy identified by DOC or DYS to provide services.

- If the prescriber is not a pharmacist (physician, nurse practitioner, etc.), they can use the [Find Your Provider Type](#) page to find the appropriate provider type to enroll in.

### **Pharmacy Benefit Management System (PBMS)**

A list of DOC and DYS pharmacies will be maintained in the PBMS. For claims billed by an identified DOC or DYS pharmacy, the PBMS will bypass the INCAR “member not eligible” system edit. The PBMS will then continue to process claims as if the incarcerated individual was eligible for the standard fee-for-service pharmacy benefit.

The Medicaid PBMS will not be able to validate that an incarcerated individual is being released and is therefore eligible for a 30-day supply of medications. Providers should wait until a member is released and bill retroactively for the prescribed medication supplied upon release. Provider billing guidance will describe these requirements for providers to bill only in the appropriate window. Relevant program integrity standards are described in Section 8.076 of the [Code of Colorado Regulations](#).

All billed pharmacy claims will be subject to existing fee-for-service formulary policies (e.g., prior authorization required, quantity limits, day supply limits, billing rules, etc.). Reimbursement will be based on existing fee-for-service pricing methodologies and rates. Denied or rejected pharmacy claims will not be paid.

In addition, the following requirements must be met:

1. The member must be enrolled into Medicaid or CHP+ prior to any billing of services to Medicaid. Members enrolled during incarceration will be placed on “INCAR” status in alignment with eligibility policy described in [HCPF OM-23-058](#). Members will have access to M-REACH services while on INCAR status.
2. The correctional facility will be responsible for ensuring that the individual is eligible for the 30-day supply of medications based upon their upcoming release date.
3. The correctional facility / pharmacy will decide whether to dispense 340B-purchased drugs to Medicaid members (i.e., carve-in or carve-out).
4. Correctional facility prescribers and pharmacies will be enrolled in Colorado Medicaid.
5. The PBMS will only accept pharmacy claims associated with DOC or DYS pharmacies (internal or contracted), whose NPI numbers have been provided to HCPF.
6. The provider (or its third-party biller) will submit electronic claims.