

Phoenix Benefits Management

Provider Manual

October 2025

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INTRODUCTION AND OVERVIEW

Phoenix Benefits Management, LLC is a Prescription Benefit Manager providing traditional Prescription Benefits Management services as well as 340B, Hospice Care, and our RxAdvantage Prescription Card to self-funded employee groups, TPA's, hospitals and individuals.

The time has come to build bridges between the complex world of healthcare systems and the people they are meant to serve. At Phoenix, we are those builders. We are actively creating solutions and dismantling obstacles. We are advocates for flexible, straightforward healthcare solutions.

At Phoenix, our mission is to listen, inform and advise. We believe that information and understanding are the foundations of our business. We operate on the basic premise that if we provide our clients with the tools and care they need, we will succeed together.

Our goal is to understand your needs and to deliver honest information that's relevant to you so that you understand your options. After all, it's your plan and your choice. We think you should know how it works, how it stacks up, what benefits you get and what benefits you don't. When you make informed decisions, you are more likely to make smart choices for you and your business, and that's the best outcome we can imagine.

SECTION I: PHOENIX BENEFITS MANAGEMENT CONTACT INFORMATION

Phoenix Benefits Management Mailing Address

Phoenix Benefits Management
410 Peachtree Parkway STE 4225
Cumming, GA 30041

Phoenix Benefits Management Provider Service Call Center

877.643.2067

Phoenix Benefits Management provides a provider call center Monday through Friday 8:00 am to 10:00 pm ET, and Saturday and Sunday 10:00 am to 6:00 pm ET. Our customer service representatives are available 24 hours a day 7 days a week. Our customer service staff have access to real time data and can assist the provider with the processing of any claim issues.

Phoenix Benefits Management Website

www.PhoenixPBM.com

Phoenix will make a number of different provider forms available through our website. The Provider forms can be found under the resources or Regulatory section of the website.

SECTION II: NETWORK APPLICATION AND CREDENTIALING

Participation

To apply to be a part of Phoenix Benefits Management pharmacy network simply reach out to one of our dedicated customer service representatives and they will assist you to get started with the application process. Phoenix Benefits Management will then work with you through the application and credentialing process which can typically take from 30-45 days to complete.

Credentialing

Phoenix Benefits Management continually monitors the credentialing of our network pharmacies. As part of the application process pharmacies will need to be licensed, credentialed, have proper insurance products, and are not excluded from participation, or subject to pending exclusion proceedings of any government programs. For further questions regarding pharmacy credentialing please contact us directly.

SECTION III: PROCESSING A CLAIM

Online Claims Submission

Participating pharmacies are required to submit electronically all claims to Phoenix Benefits Management for all prescription services provided to a covered member, including all zero balance due claims.

Claim Format

All prescription claims must be submitted in the current NCPDP format.

Claims Processing Required Fields

The fields below are required for adjudication:

- Member ID
- Person Code
- Date of Birth
- Bank Identification Number (BIN)
- Processor Control Number (PCN)
- Usual and Customary Charge (U&C)
- Ingredient Cost Submitted
- Date of Service
- Group ID
- Pharmacy National Provider Identifier (NPI)
- Prescriber National Provider Identifier (NPI)
- Day's Supply
- Quantity
- NDC

Plans may require additional fields for adjudication. Pharmacy must look at all messaging at the point-of-sale for processing information.

System Availability

Our adjudication system is online 24 hours a day, 7 days a week, and 365 days a year.

Eligibility

Eligibility of a covered person can be verified through the point-of-sale system during the claim adjudication process. The pharmacy may also verify eligibility by contacting the Phoenix Benefits Management call center.

Prior Authorization (PA)

Below are the types of prior authorizations commonly used by Phoenix Benefits Management:

- Clinical Prior Authorization – this is for medication that require clinical review

- One-Time Override – this is used for vacation fills, lost or spilled medications, or dosage changes.
- Formulary Exception – this is for covered persons that are unresponsive to the formulary medication.
- Cost Exceeds Maximum – some plans set a limit on the costs of a prescription.
- Quantity Limit – some plans limit the quantity that may be dispensed.
- Step Therapy – some plans require a member to try one or more preferred medications before trying a non-preferred medication.

Drug Utilization Review (DUR)

Phoenix Benefits Management monitors drug utilization to help support your role as a healthcare professional. Phoenix Benefits Management will alert participating pharmacies through the point-of-sale system when appropriate, below are examples of this alert:

- Drug to drug interaction screening
- Duplicate prescription screening
- Dosing screening
- Duplicate therapy screening
- Drug to age screening
- Drug to sex screening

The pharmacy is required to review any DUR alert received at the point-of-sale system. It is the responsibility of the pharmacist to use their judgement regarding the DUR alerts they receive. There may be instances where an alert may be generated due to scripts at separate pharmacy where Phoenix may reject a claim. This is to ensure member safety, as well as fraud waste and abuse.

Maximum Allowable Cost (MAC)

Phoenix Benefits Management utilizes a maximum allowable cost program that includes drugs that are reimbursed at an upper limit per unit price. If a participating pharmacy would like a copy of our MAC list(s), please contact us at quality@phoenixpbm.com.

To make a MAC appeal please email quality@phoenixpbm.com and provide the following information:

- Pharmacy NPI/NABP
- Pharmacy Name
- Pharmacy Chain
- Rx Number
- Rx Date
- NDC Number
- Drug Description/Name
- Quantity filled
- Adjudicated Price
- Purchase Price

We will review your request and provide you with a response of our findings. If you wish to request a current MAC list, please make a request via email to quality@phoenixpbm.com. Requests will be reviewed, and any information will be provided based on contract terms and state regulations.

Current MAC Lists

You can visit www.PhoenixPBM.com/Regulatory and download the most recent version of the MAC list.

Generic Substitution

Phoenix Benefits Management encourages its Participating Pharmacies to dispense generics whenever possible. However, there are instances where the Prescriber may request that a brand-name product be dispensed instead of the equivalent generic. In addition, covered persons may request a brand-name product be dispensed instead of the generic equivalent. A Participating Pharmacy must indicate the appropriate dispense as written code whenever a brand is dispensed when generics are available.

Dispense as Written Codes (DAW)

Phoenix Benefits Management recognizes the Standard NCPDP D.0 Codes:

- 0 = No product selection indicated
- 1 = Substitution not allowed by prescriber
- 2 = Substitution allowed – patient requested branded product dispensed
- 3 = Substitution allowed – pharmacist selected branded product dispensed
- 4 = Substitution allowed – generic drug not in stock
- 5 = Substitution allowed – brand drug dispensed as a generic
- 6 = Override
- 7 = Substitution not allowed – brand drug mandated by law
- 8 = Substitution allowed – generic drug not available in marketplace
- 9 = Other

SECTION IV: Participating Pharmacy Responsibility

Keep Information Updated with NCPDP

NCPDP requires that participating pharmacies submit pharmacy information updates directly to NCPDP as soon as the pharmacy is aware of them. To submit updates to NCPDP, please visit their website at www.ncdpdponline.org. Phoenix Benefits Management incorporates NCPDP updates into our adjudication system. In order to ensure the integrity of the data, it is imperative that participating pharmacies contact NCPDP with any changes or updates.

Section V: Fraud, Waste and Abuse

Fraud, Waste and Abuse

We both have an obligation to help protect and maintain the integrity of the health care system by promptly reporting suspicious activity. If you suspect fraud, waste, or abuse, whether by a covered person, another participating pharmacy, prescriber, or anyone else, please notify Phoenix Benefits Management by calling our call center at **877.643.2067**.

As a participating pharmacy, you are expected to exercise caution and due diligence to ensure that all prescriptions are valid.

Examples of fraud waste and abuse include the following:

- Identity Theft – an individual uses another person’s information to obtain a prescription
- Resale of Drugs – an individual falsely reports a loss or theft of drugs to obtain more for illegal distribution and resale
- Misrepresentation of Status – a covered person misrepresents their personal information to illegally receive a drug benefit. Also when an individual who no longer has prescription coverage, attempts to use their insurance card to receive prescriptions.
- Prescriber Shopping - an individual consults a number of prescribers in an attempt to receive multiple prescriptions, most commonly C2 medications.
- Theft of Prescription Pad – when an individual uses a stolen prescription pad to illegally obtain prescriptions
- Script Mills – a prescriber writes prescriptions that are not medically necessary, usually in mass quantities, and typically for controlled substances.
- Prescription Drug Shorting – a pharmacy provides less than the prescribed quantity.
- Inappropriate Billing – when pharmacies intentionally engage in fraudulent billing practices such as; billing for brand drugs when generics are dispensed, billing for non-existent prescriptions, billing multiple payers for the same prescription, billing for prescriptions that were never picked up, splitting prescriptions to receive additional dispensing fees, and drug diversion.

Pharmacy Audits

1. Purpose and Overview

Phoenix Benefits Management conducts pharmacy audits to ensure accurate claims processing, compliance with contractual requirements, and the integrity of the pharmacy benefit program. These audits are designed to validate that submitted claims are supported by proper documentation, dispensed accurately, and billed in accordance with PBM and regulatory standards.

Pharmacy audits also help identify potential billing errors, system discrepancies, or patterns that may indicate fraud, waste, or abuse. PBM’s goal is to maintain a fair, transparent, and compliant network environment while supporting pharmacy partners in achieving operational excellence.

2. Types of Audits

PBM may conduct one or more of the following audit types:

- Desk (Remote) Audit: Conducted electronically by requesting documentation (e.g., prescriptions, invoices, or proof of delivery) from the pharmacy.
- On-Site Audit: Conducted in person at the pharmacy’s location to review records, inventory, and compliance practices.
- Targeted Audit: Conducted based on claim patterns or data irregularities.
- Random Audit: Conducted on a routine or statistical basis to evaluate general compliance across the network.

3. Notification and Scheduling

PBM will provide the pharmacy with at least 14 calendar days' notice prior to conducting an on-site audit, unless otherwise required by law or in cases involving suspected fraud or misuse. The audit notice will include the scope, time period under review, documentation requirements, and PBM contact information. Desk audits may be initiated with written or electronic notification specifying the documentation required and submission timelines.

4. Documentation Requirements

Pharmacies are required to maintain complete and accurate records supporting all submitted claims. Examples include:

- Original or electronic prescriptions and refill authorizations.
- Patient profiles and dispensing logs.
- Proof of pick-up or delivery (signed logs, shipping confirmations, etc.).
- Purchase invoices, especially for controlled substances and specialty medications.
- Reversal or adjustment documentation where applicable.

Documentation must be provided to PBM or its designated auditor within the timeframe stated in the audit notification.

5. Audit Methodology

During the audit, PBM or its representatives may:

- Verify claim accuracy (drug, quantity, days' supply, prescriber, and member eligibility).
- Confirm prescriber authorization and prescription validity.
- Review refill frequency, substitution practices, and compliance with formulary or utilization management requirements.
- Match dispensing and pick-up records against billed claims.

All audits are conducted in a professional, consistent, and compliant manner, in alignment with state PBM audit laws.

6. Audit Findings and Recovery

Following the completion of an audit:

- The pharmacy will receive a written audit report summarizing findings, including any overpayments or discrepancies.
- The pharmacy will have 30 calendar days to review and appeal any disputed findings prior to recovery or offset.
- PBM will not apply extrapolation or projection methods unless required or permitted by applicable law.
- Any validated underpayments identified during an audit will be corrected promptly.

7. Appeals Process

Pharmacies may appeal audit findings in writing within 30 calendar days of receiving the audit report. Appeals should include supporting documentation or explanations addressing disputed items. PBM will review and respond to all appeals within 30 calendar days with a final written determination.

8. Confidentiality

All audit activities and associated data are handled in accordance with HIPAA and applicable state and federal privacy regulations. PBM and its representatives will maintain the confidentiality of all proprietary, patient, and pharmacy records obtained during the audit process.

9. Pharmacy Cooperation and Support

Network pharmacies are expected to cooperate fully during audit activities and provide timely and

accurate information. PBM's audit program is intended to be collaborative, educational, and corrective in nature, helping pharmacies strengthen compliance while protecting the plan and its members.

10. Enforcement

Failure to comply with audit requirements, provide requested documentation, or correct identified issues may result in corrective action, repayment, or network participation review.