

September 2007

## UTAH STATE MEDICAID DUR COMMITTEE THE AMBER SHEET



Volume 15

Editors: RaeDell Ashley, R.Ph., Tim Morley, R.Ph., Jennifer Zeleny, CphT., MPH., Duane Parke, R.Ph.

#### An "unofficial" publication of the State Medicaid DUR Board

Dr. Colin VanOrman, DUR Board Chairman

### **Preferred Drug List Update:**

During the 2007 legislative session, the Utah State Legislature passed Senate Bill 42 allowing Medicaid to adopt a preferred drug list (PDL). Medicaid's goal is to begin to phase in a preferred drug list beginning October 1, 2007. In order to meet this goal, Medicaid is taking the following steps:

- The first official P&T Committee meeting was held on August 7, 2007. These meetings are open to the public and generally are held at 7:00 AM on the third Friday in the Cannon Heallth Building at 288 N. 1460 W. in Salt Lake City, UT.
- Persons who wish to address the P&T Committee may contact Duane Parke at 538-6841 at least 7 calendar days prior to the Comments from visitors, while meeting. welcome, may be limited due to time constraints
- The P&T Committee consists of an academic pharmacist, a hospital pharmacist, a chain store pharmacist, and independent pharmacist, a governmental pharmacist, a pediatrician, family practice physician, psychiatrist, and an internist.
- The Drug Information Service at the University of Utah summarizes and updates clinical efficacy and safety information from the Oregon Evidence-Based Practice Center or the Drug Information Service. These materials will be posted in advance on the Pharmacy Services е b s i t е http://health.utah.gov/medicaid/pharmacy.
- The P&T Committee will advise Medicaid in choosing preferred agent(s) for each selected class of drugs based on clinical efficacy and safety.
- Division staff then examine confidential cost information and make a recommendation on which drugs in a class should be preferred.
- Prescribers may document medical necessity in a patient's chart and hand write "Medically Necessary - Dispense As Written" on prescriptions for non-preferred drugs. Please note: the override does not affect mandatory generic dispensing laws. If a generic version of a drug is available, the brand name will continue to require Prior Authorization.

Updates about the PDL implementation process will be provided through the Amber Sheet, MIB, and Pharmacy Services Website: http://health.utah.gov/medicaid/pharmacy.

#### P&T Committee Schedule for upcoming classes:

PPIs and Diabetic Supplies Sept. Antidiabetics- Thiazolidinediones Oct.

Antidiabetics-Older Oral Hypoglycemics

Opiate analgesics-Long Acting Nov. Dec. Antihypertensives-Beta Blockers

Antihypertensives-Calcium Channel Blockers

Jan.08 Antihypertensives -ARBs

Antihypertensives-ACEIs

#### **Public Comments for the P&T Committee:**

Public comment that responds to the materials presented by the Drug Information Service at the University of Utah is most helpful. The foundation documents used for most reviews are prepared by the Oregon Evidence-Based Practice Center or the Drug Information Service and are posted in advance on the P&T Committee website

Manufacturers are requested to submit any additional materials they would like reviewed as part of the process to:

**Drug Information Service** Attn: Linda Tyler, PharmD **University of Utah Hospitals & Clinics** 421 Wakara Way, Suite 204 Salt Lake City, UT 84108

All materials must be clearly labeled that they are submitted for consideration as part of the State of Utah Medicaid Preferred Drug List Program review process. Materials must be received at least 60 days before the scheduled review date. Materials most useful to support the evidence-based process include any new evidence (information from clinical trials or studies when possible) after the Oregon monograph was prepared, unpublished materials the company would like considered as part of the process, or any other materials not likely to be included in a literature search

#### **New Prior Authorizations:**

Effective October 1, 2007, the following drugs will be on Prior Authorization:

Vivitrol

Soliris

Please note, these drugs will only be payable to a physician's office or clinic by the appropriate J-code and corresponding NDC.

Prior Authorization criteria can be obtained through the pharmacy program website at http://www.health.utah.gov/pharmacy or by calling Medicaid Prior Authorizations at (801)538-6155 or (800) 662-9651, option 3, option 3, option 2.

## AMP Update:

Payment to pharmacies by Average Manufacturers Price (AMP)... AMP is a measure of the price at which manufacturers sell to wholesalers. Medicaid realizes that this is NOT the price that wholesalers sell to pharmacies. Therefore, Medicaid will utilize 200% of AMP in the reimbursement methodology to pharmacies.

This new component of reimbursement methodology will be available on December 1, 2007. Medicaid will continue to pay the lesser of Federal Upper Limit (FUL), State MAC, AWP -15%, 200% of AMP, or submitted charge. You may wish to contact your pharmacy software provider prior to December 1, to verify the accuracy of your data.

## **NPI Pharmacy Update:**

Effective October 1, 2007, the Service Provider ID field of all pharmacy Point of Sale (POS) Claims must contain the pharmacy's NPI. Utah Medicaid will reject POS claims with adjudication dates on or after October 1, 2007, that contain any other number in this field. The Service Provider ID field must contain the pharmacy's NPI and the Qualifier must be 01 to indicate a NPI value.

Pharmacies may continue to use all valid Prescriber ID values, as well as NPI if known, in the Prescriber ID field until further notice.

Utah Department of Health Health Care Financing Amber Sheet Box 143102 Salt Lake City UT 84114-3102

BULK RATE
U.S. POSTAGE
PAID
Salt Lake City,

Utah

# **Tamper-Resistant Prescription Pads:**

In May 2007 Congress passed a bill that required that effective October 1, 2007 written prescriptions for drugs under the Medicaid program must be on tamper-resistant pads. Information (guidance) has now been received from the Centers for Medicare & Medicaid Services (CMS).

Effective October 1, 2007, <u>all</u> new written Medicaid prescriptions (except those for residents of nursing facilities, intermediate care facilities for the mentally retarded (ICF's/MR's), or other specified institutional and clinical settings) must be written on tamper-resistant prescription pads. The following requirements are mandated:

- 1. Applies only to written prescriptions. Prescriptions that are electronic (those that are faxed, taken over the phone, or transmitted through other electronic means) are not covered under this law.
- 2. Applies only to new prescriptions filled on or after October 1, 2007. Does not apply to refills of prescriptions initially filled prior to October 1, 2007 until law requires a new prescription.
- 3. Compliance with all federal and state laws regarding the types of documentation and how prescriptions are filled must be maintained.

If a pharmacy fills a prescription that does not comply with the requirements above, funds paid by Medicaid will be recovered. Prescribers will have to ensure that pads used to write Medicaid prescriptions meet the following requirements in order to be considered "tamper-resistant". If not, the patient will likely be sent back to get another prescription written on a compliant prescription form.

Effective October 1, 2007, the prescription form must contain at least one of the following three characteristics:

- 1. one or more industry-recognized features designed to prevent unauthorized copying of a completed or blank prescription form;
- 2. one or more industry-recognized features designed to prevent the erasure or modification of information written on the prescription by the prescriber;
- 3. one or more industry-recognized features designed to prevent the use of counterfeit prescription forms.

Effective October 1, 2008, to be considered tamper-resistant, a prescription pad must contain all three of the above characteristics.

If you do not know how to find a vendor for tamper-resistant prescription pads, you may call 1-877-750-4047 ext. 0 **or** 1-877-290-4262 and ask for Utah's tamper-resistant pad information.

Successful implementation of the above requirements will require support of both prescribers and pharmacies. We recognize that the time frame is difficult to meet, but the requirement is a federal law, and we do not have the authority to change it. Please contact the Medicaid Pharmacy team at (801) 538-6293 or (801) 538-6495 if you have any questions.