



State of New Mexico Medical Assistance Program Manual Supplement



DATE: November 12, 2004

NUMBER: 04-16

TO: All Prescribing Providers and Coordinators of Patient Care
FROM: Carolyn Ingram
Director Medical Assistance Division
RE: Preferred Drug List Implementation

Beginning December 1, 2004, pharmacy benefits for many Medicaid clients will begin to follow a pharmacy Preferred Drug List (PDL), as required by state statute 27-2C-3 NMSA 1978. This program will be called **NMR_X**.

A "Pharmacy PDL Administrator" (PPA) will administer the **NMR_X** program under the management of the Human Services Department. The Pharmacy PDL Administrator is Presbyterian Health Plan.

Overview - When a Medicaid client has been enrolled in the NMR_X Pharmacy PDL Plan:

- The client will receive a pharmacy card from Presbyterian Health Plan indicating the client is enrolled in the **NMR_X** Presbyterian Healthcare Pharmacy Plan.
- The client's prescriptions will be subject to the PDL, quantity limits, medical exception requirements, and utilization controls of the Pharmacy PDL Administrator.
- The pharmacy will submit claims directly to the Presbyterian Health Plan/MedImpact for processing. Questions on the PDL and policies will be handled by Presbyterian Health Plan/MedImpact. **Call 1-888-923-5757.**

Medicaid Clients in the PDL Plan – In the first phase, clients enrolled in the NMR_X Pharmacy PDL Plan will be individuals who are eligible for both Medicare and Medicaid ("dual eligible" clients):

- The first phase will not include clients who are in nursing or ICF-MR facilities, or who are Native Americans. They will continue to have their pharmacy needs provided directly by the Medicaid Program and not through the Pharmacy PDL Administrator.
- The first clients, approximately 20,000 individuals, will be enrolled in the **NMR_X** Pharmacy PDL Plan for dates of service beginning December 1, 2004. Following the initial enrollment, new Medicaid clients meeting the criteria will be enrolled each month.
- Because dual eligible clients are not enrolled in SALUD! Managed Care, there will be no overlap between SALUD! and clients enrolled in the Pharmacy PDL Plan. However, if a Medicaid client in SALUD! becomes eligible for Medicare, they will be transferred from SALUD! to the Pharmacy PDL Plan at the beginning of the next month.

Transitioning Clients to the PDL – To assure a smooth transition:

- The Pharmacy PDL Administrator will make every effort to identify clients using medications not on the PDL and grant a 60-day grace period to continue to use the non-PDL item by issuing an automatic "medical exception" for the item.
 - The 60-day grace period will not apply to Zyrtec, Clarinex or Allegra, where the preferred agent, loratadine, will be enforced beginning December 1. Also, if a client is receiving a new drug item, the PDL will be enforced. The 60-day period is only to transfer from existing medications. The 60-day grace period will only apply to the initial clients enrolled in **NMR_X** on December 1, 2004.
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- The Pharmacy PDL Administrator will send a letter to clients known to be taking a medication that is not on the PDL asking them to contact the prescriber to have the prescription changed. The client will be asked to show the prescriber the letter because it will contain recommendations for alternatives that are on the PDL. After the 60-day grace period, a claim for an item not on the PDL without a medical exception will be denied.
- The Pharmacy PDL Administrator will consider medical exceptions for items not on the PDL, but will grant medical exceptions only when medically necessary and only when the request is made on the appropriate form with the necessary documentation from the prescriber. See “Procedures for Prescriber”, below.

Utilization Controls - The Pharmacy PDL Administrator will enforce utilization controls such as:

- Require medical exceptions for “Dispense As Written” requests when generic items are otherwise available, as well as require medical exceptions for some other items.
- Enforce quantity limits, dose optimization, step therapy edits, and limit for some items by prescriber specialty.
- Require 14-day initial supply and 90-day maintenance supply for certain drugs.
- Require tablet splitting for a limited number of items with the pharmacy being reimbursed to pre-split. The client will not be required to split tablets.
- Information on these and other utilization controls may be found on the page for the on the page for the NMR_X Pharmacy PDL Plan at <http://www.phs.org> and are administered by Presbyterian Health Plan, NOT by the Medical Assistance Division. Call 1-888-923-5757.

Procedures for the Prescriber - Even though the pharmacy benefit is administered by Presbyterian Health Plan, the prescriber DOES NOT need to be a participating provider with Presbyterian Health Plan to prescribe drug items:

- The prescriber will have access to the PDL on the internet on the page for the NMR_X Pharmacy PDL Plan at <http://www.phs.org> or selecting NMR_X at <http://www.phs.org/facilities/pharmacy/formulary.shtml>
- The PDL may downloaded on to a PAD.

Requesting Authorization for Items Not On the PDL - If the prescriber wishes to request authorization for an item not on the PDL, he or she must request a “medical exception”:

- The prescriber will find the medical exception request form on the Internet on the page for the NMR_X Pharmacy PDL Plan at <http://www.phs.org>
- The medical exception request form may also be obtained by calling Presbyterian Health Plan 1-888-923-5757.
- The prescriber must complete the document with all requested information and fax it to Presbyterian
- Medical exceptions will be issued by Presbyterian Health Plan, NOT by the Medical Assistance Division. Call 1-888-923-5757.
- Prescriptions for non-preferred drugs sent to a Pharmacy provider that have not been prior authorized on the medical exception form will be denied. The pharmacist or the client will then have to contact the prescriber.

Should you have any questions on this information with regards to Presbyterian Health Plan, you may contact Presbyterian Health Plan at 1-888-923-5757. Please state that your question concerns the Pharmacy PDL Plan.

Questions on the PDL and pharmacy policies will be handled by Presbyterian Health Plan, not by the Medical Assistance Division or ACS: Call Presbyterian Health Plan at 1-888-923-5757

You may contact the Medical Assistance Division at (505) 827-3165. We appreciate your continued participation in the Medicaid Program. We believe with your help we can make this transition successful for everyone. Thank you.

