Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219

http://www.dmas.state.va.us

MEDICAID MEMO

TO: All Prescribing Providers, Pharmacists, and Managed Care Organizations (MCOs) Participating in the Virginia Medical Assistance Program

FROM: Cynthia B. Jones, Director
Department of Medical Assistance Services (DMAS)

MEMO: Special

DATE: 12/5/2014

SUBJECT: Virginia Medicaid Preferred Drug List (PDL) Program Changes ***Effective January 1, 2015***, Drug Utilization Review (DUR) Board Approved Drug Service Authorization (SA) Requirements, DMAS' Policy Medicaid Coverage of Physician Administered Drugs and Devices, Submission of Partial Fills for CII Drugs by Long-term Care Facilities, Provider Enrollment and Screening Requirements, and Submission of DAW9 Code

The purpose of this memorandum is to inform providers about changes to Virginia Medicaid's fee-for-service Preferred Drug List (PDL) Program that will be effective on January 1, 2015 and new drug service authorization (SA) requirements approved by DMAS' DUR Board. Also included is DMAS' policy on Medicaid Coverage of Physician Administered Drugs and Devices, Submission of Partial Fills for CII Drugs by Long-term Care Facilities, and Provider Enrollment and Screening Requirements.

Preferred Drug List (PDL) Updates – Effective January 1, 2015

The PDL is a list of preferred drugs, by select therapeutic class, for which the Medicaid fee-for-service program allows payment without requiring service authorization (SA). In designated classes, drug products classified as non-preferred will be subject to SA. In some instances, other additional clinical criteria may apply to a respective drug class which could result in the need for a SA.

The PDL program aims to provide clinically effective and safe drugs to its members in a cost-effective manner. Your continued compliance and support of this program is critical to its success. The PDL applies to the Medicaid, FAMIS, and FAMIS Plus fee-for-service populations. The Virginia Medicaid PDL **does not** apply to members enrolled in a Managed Care Organization (MCO).

On October 16, 2014, the DMAS Pharmacy and Therapeutics (P&T) Committee conducted its annual review of the PDL Phase I drug classes and evaluated several new classes for addition to the PDL. The Committee approved the following **changes** and additions to Virginia Medicaid's PDL:

Drug Class (*new drug class)	Preferred	Non-Preferred (Requires SA)
Anti-Allergens* (oral)		Ragwitek®, Grastek®, Oralair®
Anticonvulsants*	Extensive list – please refer to PDL	Extensive list - please refer to PDL
Drug Class (*new drug class)	**Preferred**	**Non-Preferred (Requires SA)**
Antidepressants* (SSRIs)	citalopram tablet & solution, escitalopram, sertraline, fluoxetine capsule & solution, paroxetine, fluvoxamine	Extensive list - please refer to PDL
Antiemetic / Antivertigo Agents	dronabinol	Marinol®
Antifungals (oral)	griseofulvin ultramicrosize	Gris-Peg®
Antihypertensives, Sympatholytics*	clonidine, guanfacine, methyldopa, reserpine, Catapres-TTS®	Catapres®, clonidine transdermal, Clorpres®, methyldopa/HCTZ, Tenex®
Antipsychotics*	Extensive list - please refer to PDL	Extensive list - please refer to PDL
Epinephrine*, Self-Injected	epinephrine (AG), EpiPen®, EpiPen Jr®	Adrenaclick®, Auvi-Q™
Glucocorticoids (Inhaled)		Advair® HFA
Glucocorticoids * (oral)	Entocort EC®; prednisone tablet, solution, DS Pk; dexamethasone tablet & solution; prednisolone tablet & solution; methylprednisolone tablet & DS Pk	Extensive list - please refer to PDL
Leukotriene Modifiers		montelukast granules
Lipotropics (Fibric Acid Derivatives)	fenofibrate	Tricor®
Ophthalmic – Antibiotics		bacitracin/polymixin B sulfate ointment
Ophthalmic – Anti-inflammatories	dexamethasone	
Quinolones (oral)	ciprofloxacin suspension	Cipro® suspension
Sedative Hypnotics		flurazepam, Rozerem®
Steroids, Topical * (medium potency)	fluticasone propionate cream & ointment; hydrocortisone valerate cream & ointment; mometasone furoate cream, ointment & solution	Extensive list - please refer to PDL
Steroids, Topical* (high potency)	triamcinolone cream, lotion & ointment; fluocinonide cream, emollient, solution, gel & ointment,	Extensive list - please refer to PDL
Steroids, Topical* (low potency)	alclometasone cream & ointment; hydrocortisone cream, gel, lotion & ointment; hydrocortisone/min oil/pet ointment; hydrocortisone/aloe gel; hydrocortisone acetate/urea	Extensive list - please refer to PDL
Steroids, Topical* (very high potency)	clobetasol propionate cream, ointment, solution, gel & emollient; halobetasol propionate cream & ointment	Extensive list - please refer to PDL
Ulcerative Colitis (oral)		balsalazide

The P&T Committee approved clinical edits for the following drugs classes: Analgesics-Narcotic Long Narcotics, Angiotensin II Receptor Antagonists, Anti-Allergens (oral), Anticonvulsants, Antidepressants (Other and SSRIs), Antihypertensives-Sympatholytics, Antipsychotics; Antivirals – Hepatitis C, Beta Blockers, Blood Modifiers - Hereditary Angioedema (HAE), Epinephrine-Self-Injected, Glucocorticoids (oral), Hypoglycemics-SGLT2, Opiate Dependence Treatments, Sedative Hypnotics and Other Hypnotics, Self-Administered Drugs for Rheumatoid/Psoriatic Arthritis, and Steroids (topical).

Please refer to the Preferred Drug List for the complete clinical edit criteria for each drug class. This list can be accessed at www.virginiamedicaidpharmacyservices.com/.

Virginia's PDL can be found at http://www.dmas.virginia.gov/Content_pgs/pharm-pdl.aspx or https://www.virginiamedicaidpharmacyservices.com/. In addition a copy of the PDL can be obtained by contacting the Magellan Clinical Call Center at 1-800-932-6648. Additional information and Provider Manual updates will be posted as necessary. Comments and questions regarding this program may be emailed to pdlinput@dmas.virginia.gov.

DMAS Drug Utilization Review Board Activities

The DMAS Drug Utilization Review Board (DUR Board) met on August 21, 2014 and recommended that DMAS require prescribing providers to submit a Service Authorization (SA) for the use of the following drugs based on FDA approved labeling:

- Jublia® (efinaconazole)
- Penlac® 8% (ciclopirox)
- CNL-8™ 8.8% (ciclopirox)
- Sivextro™ (tedizolid)
- Zyvox® (linezolid)
- Zykadia™ (ceritinib)

Also effective **March 1, 2015**, the Department of Medical Assistance Services (DMAS) will expand its typical and atypical antipsychotic service authorization requirement to any member under the age of eighteen (18) enrolled in Virginia Medicaid's fee-for-service program. Currently, DMAS requires a SA for these medications prescribed to children under the age of thirteen (13). The SA criteria for the drugs for members under the age of eighteen (18) are as follows:

1) The drug must be prescribed by a psychiatrist or neurologist or the prescriber must supply proof of a psychiatric consultation AND,
2) the member must have an appropriate diagnosis, as indicated on the attached SA form AND,
3) the member must be participating in a behavioral management program AND,
4) written, informed consent for the medication must be obtained from the parent or guardian.

SAs will be given for six (6) months, after which a new SA will need to be obtained. If the SA criteria listed above are not met, a thirty (30) day emergency fill will be allowed and the SA request will be reviewed by a board certified Child and Adolescent Psychiatrist contracted through Magellan Health Services. Failure to complete the SA process and meet the clinical criteria during this thirty (30) day period will result in the denial of subsequent pharmacy claims for the drug. Service authorization does not guarantee payment for the drug; payment is contingent upon passing all edits contained within the claims payment process, the individual's continued Medicaid eligibility, the provider's continued Medicaid eligibility, and the ongoing medical necessity for the drug.

The DMAS staff and the DMAS contracted consulting Psychiatrist will work closely with the prescribing provider to ensure that the member has access to behavioral management and psychiatric consultation services during the review period. Members ages six (6) through twelve (12) who are currently being treated with antipsychotics will receive a six month "grandfather" SA if they have a medical diagnosis for which the antipsychotic has been FDA approved. Cases where a member does not have a documented diagnosis will be evaluated by the consulting psychiatrist who will determine if a six month SA is warranted.

Prescribers can initiate SA requests by letter; faxing to 1-800-932-6651; contacting the Magellan Clinical Call Center at 1-800-932-6648 (available 24 hours a day, seven days a week); or by using the web-based service authorization process (Web SA). Faxed and mailed SA requests will receive a response within 24 hours of receipt. SA requests can be mailed to:

Magellan Medicaid Administration
ATTN: MAP Department/ VA Medicaid
11013 W. Broad Street
Glen Allen, Virginia 23060

Copies of the SA forms which include the criteria are available online at https://www.virginiamedicaidpharmacyservices.com

Medicaid Coverage of Physician Administered Drugs and Devices

The Department of Medical Assistance Services (DMAS) covers physician/practitioner administered drugs and devices through the medical benefit for **fee-for-service** members. Specific guidelines on billing for physician/practitioner administered drugs including injectable antipsychotics, botulinum toxins, injectable chemotherapy, intrauterine (IUD) devices, etc. are provided below. **Effective 1st Quarter 2015**, DMAS will deny pharmacy claims for drugs and devices typically administered by health care professionals at the point-of-sale with error code = 394 (Drug Not Covered Under Rx Service) or NCPDP error = 70 (Product/Service Not Covered).

Physician/Practitioner Administered Drugs

Administering providers must bill physician and clinic-administered drugs and devices to Virginia Medicaid as a medical claim. The provider should use the Healthcare Common Procedure Coding System (HCPCS) codes for these medications and devices when submitting the claim on all electronic (837P), Direct Data Entry (DDE) and paper (CMS-1500) submissions so that the drug or device can be reimbursed by DMAS.

Medical Claim Billing with HCPCS J-Codes and National Drug Codes (NDCs)

DMAS requires that providers billing for drug products administered in an office or outpatient setting use a drug-related HCPCS J-Code and include the National Drug Code (NDC) of the drug dispensed on all electronic (837P), direct data entry and paper claim submissions. The quantity of each NDC submitted and the unit of measurement qualifier (F2, ML, GR or UN) is also required. Providers must follow the billing guidance per the DMAS Physician/Practitioner manual.

Physician Administered Drug/Devices Rates

The provider charges submitted for services and supplies rendered must be based on the usual, customary and reasonable charge and all requests for payment must comply in all respects with the policies of the Virginia Medical Assistance Program for the submission of claims. The current rates may be found at the DMAS website (http:dmasva.dmas.virginia.gov) under "Procedure Fee Schedule Files."

Medicaid Member's Residing in Long-term Care Facility

Claims for physician administered drugs may be submitted as a pharmacy claim using the point-of-sale by pharmacies enrolled with Virginia Medicaid as a long-term care provider for Medicaid members residing in long-term care facilities.

Submission of Partial Fills for CII Drugs by Long-Term Care Facilities

Effective 1st Quarter 2015, pharmacies enrolled with Virginia Medicaid as long-term care providers can submit partial fills for CII drugs for Medicaid members residing in long-term care facilities. The pharmacy may submit up to three (3) partial fills and one (1) completion fill within a 34 day period. The total number of units billed cannot exceed the quantity on the original prescription. A dispensing fee will be paid on the initial partial fill and the completion fills only. In addition, pharmacists must comply with Virginia Regulation 18VAC110-20-310 - Partial Dispensing of Schedule II Prescriptions.

Use of DAW 9 Code for Pharmacy POS Claims

Effective 1st Quarter 2015, Virginia Medicaid will begin allowing the use of a Dispense as Written (DAW) Code of 9 for brand PDL "preferred" brand name drugs. A DAW Code of 9 indicates the following: Substitution Allowed By Prescriber but Plan Requests Brand - Patient's Plan Requested Brand Product To Be Dispensed. This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted, but Virginia Medicaid requests the brand product be dispensed. Any other use of the DAW 9 code other than the scenario described above, is not allowed and is subject to audit.

Provider Enrollment and Screening Requirements

Provisions of the Affordable Care Act require that all practitioners who prescribe medications for Virginia Medicaid Members must be enrolled with Virginia Medicaid. This means that any practitioner not currently enrolled must do so in order to continue to order, prescribe or refer services. Effective **February 9, 2015**, a denial message will be returned to the pharmacy (via point-of-service) stating that the prescriber is not an enrolled Medicaid provider (DMAS Edit 1500 or NCPDP Edit 56). Pharmacy claims will deny if the provider has not enrolled with Virginia Medicaid. DMAS has created a streamlined enrollment application for all ordering, referring or prescribing providers to complete for enrollment. This streamlined enrollment application will be available on the web portal. In order to gain access to the new online enrollment, revalidation enhancements, and to provider profile maintenance, providers must be registered in the Virginia Medicaid web portal. Providers can register for access to the Virginia Medicaid web portal by visiting the site at www.virginiamedicaid.dmas.virginia.gov and establishing a user ID and password.

New Eligibility/Aid Category

Under Virginia Medicaid's Hospital Presumptive Eligibility (HPE) Coverage (Medicaid Memo 12/20/13), eligible groups in Virginia will receive limited Medicaid benefits during a limited HPE period. One of these groups, pregnant women are eligible for limited ambulatory/outpatient prenatal care service only. All pharmacy claims submitted for a member deemed eligible under HPE coverage will deny with Edit Code 823 (SA required for Aid Category 035) and require a service authorization. Prescribers will need to attest that the medication is related to prenatal care.

DMAS Contact Information for Participating Pharmacies

Provider Information	Telephone Number(s)	Information Provided
Pharmacy Call Center	1-800-774-8481	Pharmacy claims processing questions, including transmission errors, claims reversals, etc., the generic drug program, problems associated with generic drugs priced as brand drugs, obsolete date issues, determination if drug is eligible for Federal rebate
Preferred Drug List (PDL) & Service Authorization Call Center	1-800-932-6648	Questions regarding the PDL program, service authorization requests for non-preferred drugs, service authorization requests for drugs subject to prospective DUR edits
Maximum Allowable Cost (MAC) and Specialty Maximum Allowable Cost (SMAC) Call Center	1-866-312-8467	Billing disputes and general information regarding multi-source drugs subject to the MAC program, and billing disputes and general information related specialty drugs subject to the SMAC Program
Provider Helpline	1-800-552-8627 (in state) 1-804-786-6273 (out of state)	All other questions concerning general Medicaid policies and procedures
MediCall	1-800-884-9730 or 1-800-772-9996	Automated Voice Response System for Verifying Medicaid Eligibility
Medicaid Managed Care Organization (MCO) Information	Anthem 1-800-901-0020 Coventry Cares 1-800-279-1878 Kaiser 1- 855-249-5025 INTotal 1-855-323-5588 Optima 1-800-881-2166 VA Premier 1-800-828-7989	Questions relating to Medicaid members enrolled in Medicaid Managed Care Plans

COMMONWEALTH COORDINATED CARE

Commonwealth Coordinated Care (CCC) is a new initiative to coordinate care for individuals who are currently served by both Medicare and Medicaid and meet certain eligibility requirements. Please visit the website at http://www.dmas.virginia.gov/Content_pgs/altc-home.aspx to learn more.

VIRGINIA MEDICAID WEB PORTAL

DMAS offers a web-based Internet option to access information regarding Medicaid or FAMIS member eligibility, claims status, payment status, service limits, service authorizations, and electronic copies of remittance advices. Providers must register through the Virginia Medicaid Web Portal in order to access this information. The Virginia Medicaid Web Portal can be accessed by going to: www.virginiamedicaid.dmas.virginia.gov. If you have any questions regarding the Virginia Medicaid Web Portal, please contact the Xerox State Healthcare Web Portal Support Helpdesk, toll free, at 1-866-352-0496 from 8:00 a.m. to 5:00 p.m. Monday through Friday, except holidays. The MediCall audio response system provides similar information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider. Providers may also access service authorization information including status via KEPRO's Provider Portal at http://dmas.kepro.com.

"HELPLINE"

The "HELPLINE" is available to answer questions Monday through Friday from 8:00 a.m. to 5:00 p.m., except on holidays. The "HELPLINE" numbers are:

1-804-786-6273 Richmond area and out-of-state long distance
1-800-552-8627 All other areas (in-state, toll-free long distance)

Please remember that the "HELPLINE" is for provider use only. Please have your Medicaid Provider Identification Number available when you call.