Medi-Cal Rx Reinstatement of Claim Edits and Prior Authorizations

California Department of Health Care Services

June 2, 2022

Guiting Principles

- Focus on commitments:
  - Standardizing benefits through a single delivery system
  - Improving access through a broad pharmacy network
  - Applying statewide utilization management protocols
  - Strengthening California's ability to negotiate supplemental drug rebates

- Drive to program goals through partnership:
  - Advocates
  - Associations
  - Pharmacies
  - Prescribers

Stakeholder feedback is fundamental to the design and implementation of this plan.

Current State

- Over 49 million pharmacy paid claims totaling more than $5.9 billion in payments.
- Challenges, Mitigation, Stabilization
  - Claim Edits
  - Prior Authorization
- Information Gathering & Analysis
- Continued Stakeholder Engagement

Reinstatement Planning

- Phased, iterative approach, informed by:
  - ➢ Data
  - ➢ Lessons Learned
  - ➢ Stakeholder feedback
  - ➢ Learnings from each prior phase
- Aligns with objectives to reduce disruption and ensure safe and timely delivery of pharmacy benefits

Phased Reinstatement

DHCS
Department of
HealthCareServices

Phase I 30 days advance notice

Wave 1: Reinstate Claim Edits, Drug Utilization Review (DUR) 88, and Reject Code 80*

Wave 2: Promote adoption of Cover My Meds (CMM)

Wave 3: Reinstate Prior Authorizations (PAs) for 11* drug classes for new start prescriptions

New Start = initiation of a new drug therapy for a beneficiary
*See Appendix for details

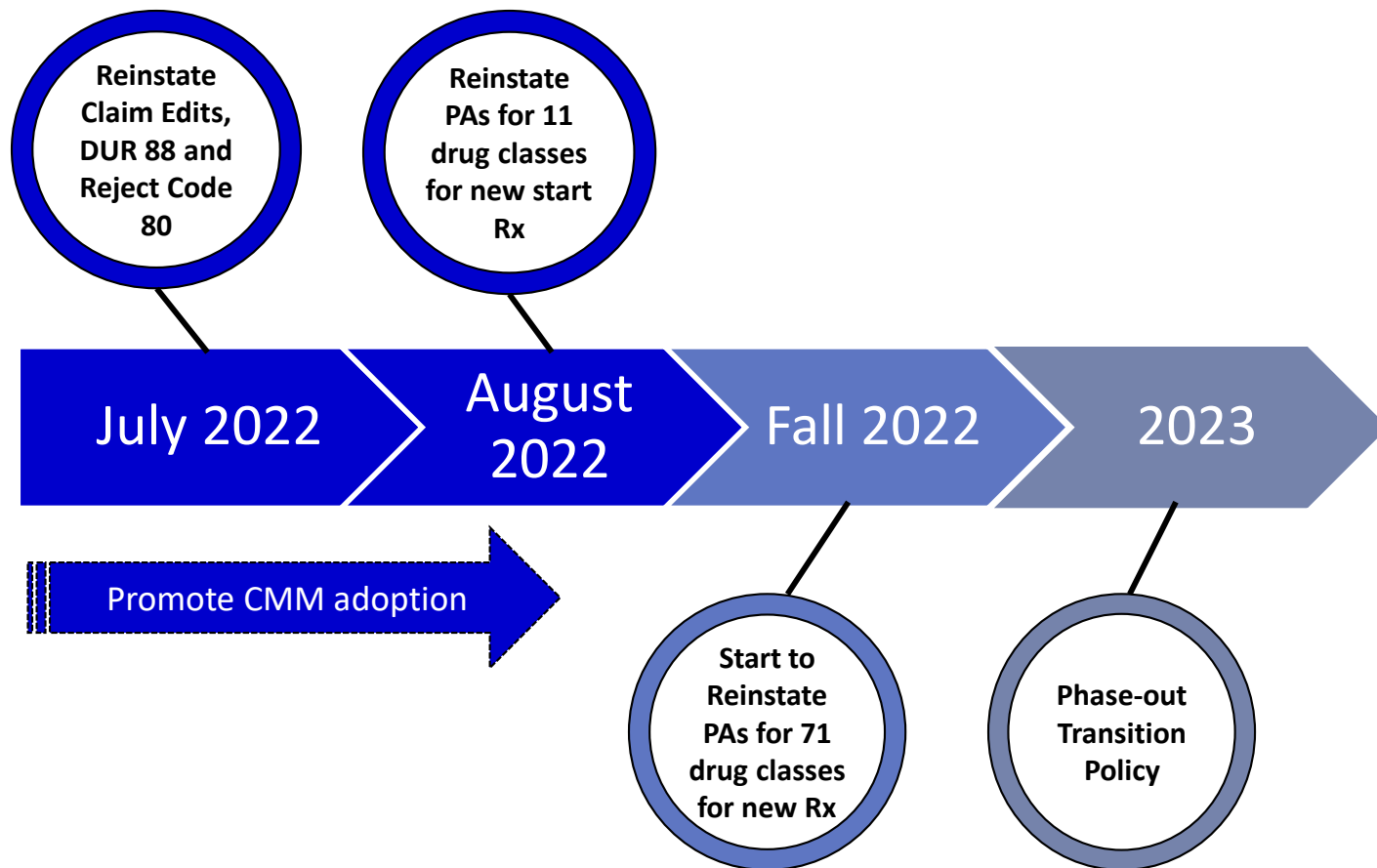## Phase II 30 days advance notice

Three cyclical waves: Reinstate PAs for 71 drug classes for new prescriptions

Initiation of Prospective PAs

Phase III 90 days advance notice

Phase-out Transition Policy

As appropriate, prescribers may transition beneficiaries from non-Contract Drugs List (CDL) to CDL products, reducing need for PAs

Reinstatement Roadmap

Resources and Support

- Medi-Cal Rx will provide resources to support pharmacies and prescribers
  - Alerts and Bulletins
  - Informational guides
  - Frequently Asked Questions (FAQs)
  - Live webinars
  - Office hours

Medi-Cal Rx Customer Service Center at 1-800-977-2273, 24 hours a day, 7 days a week, 365 days per year.

Providers can also seek assistance via the Education and Outreach team at MediCalRxEducationOutreach@magellanhealth.com

Providing Feedback

- We welcome your feedback to refine our approach to reinstatement!

- Please submit your comments by close of business Friday, June 10 to:

  Reinstatement@dhcs.ca.gov

Questions?

We Thank You for Your Partnership!

APPENDIX

Phase I: DUR 88 and Reject Code 80 Edits

Reject Code or Reason for Service	DHCS Reinstatement Policy
88/DUR Reject Error DA - Drug Allergy Conflict	Leave as message only
88/DUR Reject Error HD/LD - High Dose/Low Dose	Reinstate denial for High Dose (HD). Continue to message for Low Dose (LD). DHCS may consider removal of LD alert, but additional research and analysis by the UCSF DUR team is needed before a decision for removal can be made.
88/DUR Reject Error ID - Ingredient Duplication	Reinstate soft reject using up to a 365-day look back, but amend the logic to only look for current ("active") prescriptions.
88/DUR Reject Error TD - Therapeutic Duplication	Reinstate soft reject using up to 365-day look back, but amend the logic to only look for current ("active") prescriptions. This edit is required for all opioid claims.
88/DUR Reject Error LR - Late Refill/Underutilization	Leave as message only
88/DUR Reject Error MC - Drug to Known Disease	Leave as message only for Severity Level 1.

Reject Code or Reason for Service	DHCS Reinstatement Policy
88/DUR Reject Error PA - Age Precaution - Geriatric	Geriatric age alert was not active prior to assumption of operations (AOO). Agree to keep as message only for Phase I. UCSF research and analysis needed for any other changes in the future.
88/DUR Reject Error PA - Age Precaution - Pediatric	Pediatric age precaution needs to be reinstated as a soft reject.
88/DUR Reject Error ER - Early Refill/Overutilization	Reinstate to soft reject. Agree with MMA recommendation to add next fill date to individual attribute and not just embedded in message.
88/DUR Reject Error DD - Drug to Drug Interaction	Reinstate soft reject for Severity Level 1.
88/DUR Reject Error PG - Drug to Pregnancy Precaution	Reinstate soft reject for Severity Level 1 UCSF research and analysis is requested for any future changes to this alert.
Reject Code 80/Diagnosis Code Submitted Does Not Meet Drug Criteria	This reject code is generated for Code 1 drugs on the Contract Drugs List which are limited to specific conditions/diagnoses. Reinstate soft reject and coordinate with Education and Outreach (E&O)

Phase I: Prior Authorization Drug Classes

The following drug classes will require Prior Authorization with implementation of Phase I reinstatement:

- ➢ Diuretics
- ➢ Lipotropics, including statins and omega-3 fatty acids
- ➢ Hypoglycemics, including glucagon
- ➢ Coronary vasodilators (nitrates and pulmonary arterial hypertension agents)
- ➢ Cardiovascular agents, including antiarrhythmics and inotropes
- ➢ Anticoagulants and antiplatelets
- ➢ Niacin, Vitamin B, and Vitamin C products