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July 7, 2010

Dear Kentucky Medicaid Provider:

Please be advised that the Kentucky Department for Medicaid Services will be making the following changes to the Kentucky Medicaid Pharmacy Program.

- OTC Product Coverage: Currently Kentucky Medicaid pays for all over-the-counter (OTC) products when ordered by prescription. When implemented, coverage will be limited to a specified list of OTC products. The list of covered products will be posted to the web at <a href="https://kentucky.fhsc.com">https://kentucky.fhsc.com</a> on the Providers tab under Drug Information. This list will contain products considered to be medically necessary. Products not on this list will no longer be covered by Kentucky Medicaid and will deny at point-of-sale (POS) with NCPDP rejection of 70; NDC not covered. Overrides can not be submitted through the POS system or given by a call center.
- Early Refill: Currently Kentucky Medicaid allows pharmacists to override an Early Refill reject (a claim for which at least 80% of a previous supply would not have been used) at POS. When implemented, the ability to override the Early Refill reject through POS will be eliminated. Pharmacies will need to call the Magellan Medicaid Administration technical help desk to request the override. Additionally, the early refill tolerance will be increased from 80% to 90%.
- Prescribers not enrolled as a Kentucky Medicaid Provider: Currently any prescriber who provides licensure information to the Commonwealth can prescribe for a Kentucky Medicaid member. When implemented, only prescriptions written by prescribers who are enrolled as a Kentucky Medicaid Provider will be paid. Magellan Medicaid Administration will make changes to the POS system to accept or deny claims based on whether the submitted prescriber is a Kentucky Medicaid provider or not. Claims will deny with NCPDP rejection 71; Prescriber not covered.

- o To participate in the Kentucky Medicaid Program or to verify current participation, please contact Provider Enrollment at (877) 838-5085, Monday to Friday, 8:00 am 4:30 pm eastern.
- <u>Diabetic Supplies</u>: Currently diabetic supplies including meters, test strips, lancets, syringes and needles are billed to Kentucky Medicaid as Durable Medical Equipment (DME). When implemented, claims for these products will **ONLY** be accepted through POS or on a Universal Claim Form (UCF) from pharmacy providers.
- <u>Prior Authorization:</u> Beginning 7/1/2010, in addition to accepting Prior Authorization (PA) requests by fax and mail, Kentucky Medicaid will allow telephonic requests. Only prescribers and pharmacists may request a PA via telephone. Requests for products requiring a drug-specific fax form (currently: Suboxone<sup>®</sup>/Subutex<sup>®</sup>, Zyvox<sup>®</sup>, and Synagis<sup>®</sup>) will still require the form to be faxed. These forms are located at <a href="https://kentucky.fhsc.com">https://kentucky.fhsc.com</a>. Telephonic requests should be directed to (800) 477-3071, 24 hours a day, 7 days a week.

Except for accepting telephonic prior authorization requests, which is effective immediately, implementation of these changes will occur over the next several months. Additional information and clarification will be forthcoming and effective dates provided at least 30 days prior to implementation.

Thank you,

Magellan Medicaid Administration