Magellan Rx MANAGEMENT

Kentucky UNBRIDLED SPIRIT

Pharmacy Quarterly

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THE NUMBERS LISTED BELOW ARE FOR FEE-FOR-SERVICE SUPPORT

PHARMACY SUPPORT CENTER

1-800-432-7005

24 hours per day/7 days per week
For claim assistance, early refill overrides, and lock-in overrides

CLINICAL SUPPORT CENTER

PRIOR AUTHORIZATIONS

1-800-477-3071

24 hours per day/7 days per week

DIABETIC SUPPLY QUESTIONS

Prior Authorization

1-800-477-3071

CLAIM INQUIRY

1-800-432-7005

Please Note: Questions regarding claims prior to October 5, 2010, should be directed to 1-800-807-1232.

PROVIDER SERVICES

1-877-838-5085

M–F, 10:30 a.m.–4:30 p.m. (ET)

Providers should contact Provider Services for inquiries regarding enrollment and changes.

MEMBER SERVICES

1-800-635-2570

M–F, 8:00 a.m.–5:00 p.m. (ET)

Recipients should contact Member Services for medication replacement requests and co-pay and benefit information.

WEBSITES

Kentucky Department for Medicaid Services
http://chfs.ky.gov/dms/Pharmacy.htm

Magellan Medicaid Administration
https://kentucky.magellanmedicaid.com/

ONSITE PROVIDER EDUCATION

For onsite education presentations, please contact Magellan Medicaid Administration at kyproviders@magellanhealth.com. This education is free of charge.

The ICD-10 Countdown: Are You Ready?

The U.S. Department of Health and Human Services (HHS) issued a rule on July 31, 2014 establishing October 1, 2015 as the new compliance date for healthcare providers, health plans, and healthcare clearinghouses to implement the tenth revision of the International Classification of Diseases (ICD-10). The transition from ICD-9 to ICD-10 is a major undertaking for providers, payers, and vendors, and with the October 1st compliance deadline approaching fast, it is vital that providers have an active action plan in place.

Provider awareness and preparedness are crucial in making a smooth transition to ICD-10. Preparations should take into account specific practice or organization needs, such as organizational impact, budget, vendor readiness, and staff knowledge and training. It is highly encouraged to consult your software vendor, as additional software changes and/or upgrades may be required to accommodate the ICD-10 coding sets.

The Centers for Medicare & Medicaid (CMS) is responsible for the development and maintenance of the ICD-10-CM/PCS code sets. Please refer to the CMS website at: http://www.cms.gov/ICD10, where additional resources to help providers prepare for a smooth transition can be found. CMS will continue to add new tools and information to the website through the course of the transition.

Tobacco Cessation Changes

Effective **May 6, 2015, preferred tobacco cessation** products will pay at point-of-sale (POS) without prior approval for the initial 92 days of therapy. Requests for continuation of therapy will require the submission of a prior authorization (PA) and will be approved if the following criteria are met:

- The member is actively participating in a formal tobacco cessation counseling program
- Participation in the counseling program must be documented in the clinical notes by the prescriber
- The full name and contact information of the provider, program, or agency rendering the counseling must be documented

For additional information regarding this change, please refer to "Fee-for-Service Pharmacy Provider Notice #195" found on the Web portal at https://kyportal.magellanmedicaid.com and click the Provider/Resources/Documents/Notices tabs, or you may contact the Clinical Support Call Center at 1-800-477-3071.

For a list of preferred tobacco cessation products, please refer to the Kentucky Fee-for-Service Preferred Drug List (PDL) at: https://kentucky.magellanmedicaid.com.

Pharmacy Drug Pricing and Reimbursement

The Kentucky Medicaid FFS Pharmacy Program uses a set of pricing methods and a developed algorithm to determine drug reimbursement to pharmacy providers. The purpose for the drug pricing and reimbursement methodology is to ensure that providers use a less expensive therapeutically equivalent drug whenever possible. This allows for compliance with the generic substitution law (KRS 217.822), while delivering quality care for all recipients.

The Kentucky Medicaid Fee-for-Service (FFS) Pharmacy Program utilizes the following payment algorithm for drug reimbursement:

As of October 31, 2011, providers are reimbursed the lesser of:

- Branded Drugs: WAC + 2% (plus dispensing fee); **OR**
- Generic Drugs: WAC + 3.2% (plus dispensing fee); **OR**
- FUL + dispense fee; **OR**
- MAC + dispense fee; **OR**
- Usual & Customary (U&C)

Dispensing fees are as follows:

- Branded drugs: $4.50
- Generic drugs: $5.00

The above information regarding the payment algorithm and additional information regarding POS billing for the FFS Pharmacy Program is located in the **Kentucky Medicaid Pharmacy Provider Point-of-Sale (POS) Billing Manual** and can be found at: https://kyportal.magellanmedicaid.com by clicking the Provider/Resources/Documents tabs.

Pharmacy providers should note that reimbursement paid according to the **MAC** price type, is the only reimbursement that can be appealed to Kentucky Medicaid. Upon adjudication, if the final price type is **WAC**, **FUL** or **U&C**, then **NO price adjustment** can be granted, as these reimbursement types are regulated by the government. When appealing the MAC price, please complete the **MAC Price Research Request Form** found at: https://kyportal.magellanmedicaid.com by clicking the Provider/Resources/Documents/Drug Info/MAC tabs.

For additional information, please refer to "Fee-for-Service Pharmacy Provider Notice #196" found at: https://kyportal.magellanmedicaid.com by clicking the Provider/Resources/Documents/Notices tabs.

Drug Information Highlights

- The FDA has warned that varenicline (Chantix®; Pfizer) can alter the way people react to alcohol. Patients may experience increased intoxicating effects of alcohol, which can be associated with aggressive behavior and/or amnesia. In addition, rare accounts of seizures have been reported in patients treated with varenicline, including individuals with no history of seizures or with a seizure disorder that had been well-controlled. The warnings section of this smoking cessation drug label will also include data from a study that found no increased risk of neuropsychiatric side effects on mood, behavior, or thinking while taking the drug; however, there were limitations to the studies and not all possible neuropsychiatric side effects were examined.
- All multidose diabetic pen devices now require labeling stating, "For single patient use only" to be affixed to the pen device and pen carton, and included in the prescribing information and patient Medication Guide. The FDA is requiring the additional labeling in an effort to reduce the spread of serious infections, such as HIV and hepatitis, through sharing of pen devices intended for single patient use only.
- Asenapine (Saphris®; Forest) has received an additional indication as monotherapy for the acute treatment of mania or mixed episodes associated with bipolar I disorder in patients 10 to 17 years of age. Asenapine is already indicated for schizophrenia and acute treatment of manic or mixed episodes associated with bipolar I disorder in adults as monotherapy or adjunctive therapy. A 2.5 mg sublingual (SL) tablet for use in pediatric patients will be available in addition to the currently available 5 mg and 10 mg SL tablets.

Magellan Medicaid Administration, Inc. Clinical Alert. 2015. Available at: http://www.MagellanMedicaid.com/news/ClinicalAlerts.asp.