

Nebraska Medicaid



Matters

Newsletter of the Nebraska Drug Utilization Review (DUR) Program

Administered for the Department of Health and Human Services by the Nebraska Pharmacists Association

Volume 2, Issue 1

April 2008

April 1 Implementation for Tamper-Resistant Prescription Paper

Effective April 1, 2008, federal legislation mandates that all Medicaid outpatient drugs will be reimbursable only if non-electronic prescriptions are written on tamper-resistant paper.

This applies to all non-electronic prescriptions, legend and over-the-counter, written for Nebraska Medicaid recipients, when Nebraska Medicaid is the primary or secondary payer. Prescriptions that are exempt from the tamper-resistant requirement include those that are faxed from the provider's office, telephoned by the provider, E-prescribed, or refills for which the original prescription was filled before April 1, 2008.

Emergency fills for prescriptions written on non-tamper resistant pads are permitted as long as the prescriber provides a verbal, faxed, electronic, or compliant written prescription within 72 hours after the date on which the prescription was filled. This allows a pharmacy to telephone a prescriber to obtain a verbal order for a prescription written on non-compliant prescription paper. The pharmacy must document the phone call on the face of the written prescription. DEA and Nebraska Pharmacy laws and regulations pertaining to written and electronic prescriptions still apply.

To be considered tamper-resistant, a prescription blank must prevent unauthorized copying, prevent erasure or modification, or prevent the use of counterfeit prescription forms. All three of these requirements must be met by October 1, 2008 in order to be compliant.

Additional information can be found in the Provider Bulletin at www.hhs.state.ne.us/med/PB/pb0806.pdf or in the Frequently Asked Questions on the CMS website at www.cms.hhs.gov/DeficitReduction-Act/Downloads/MIPTRPFAQs9122007.pdf.

NEW CLAIMS PROCESSOR

IN JUNE, THE PHARMACY CLAIMS PROCESSOR FOR NEBRASKA MEDICAID WILL CHANGE FROM ACS TO FIRST HEALTH. THE FAX NUMBER FOR PRIOR AUTHORIZATION REQUESTS WILL REMAIN THE SAME. MORE INFORMATION WILL BE AVAILABLE IN FUTURE NEBRASKA MEDICAID PROVIDER BULLETINS.

Why Does Medicaid Pay for THAT?

How often have health care providers asked this question? Although Medicaid is a state program, part of the funding comes from federal dollars. Along with the federal matching funds, comes stipulations from the Centers for Medicare & Medicaid Services (CMS). Payment for covered outpatient drugs is limited to manufacturers who have a rebate agreement with CMS, drugs which are being used for their medically accepted indication and drugs which have been approved by the FDA as safe and effective.

State Medicaid programs send participating manufacturers information regarding the consumption of each drug and dosage form on a quarterly basis. The manufacturer then remits the appropriate amount of money to the state. The rebate agreement is based upon the standard rebate (15.1% of Average Selling Price for single-source products) or "best price". "Best price" is defined as the lowest price available from the manufacturer to any wholesaler, retailer, provider, health maintenance organization, nonprofit entity or governmental entity with some exclusions. In many cases, the rebate dollars substantially lower the net cost of medications to the State. Some companies choose not to participate in the rebate agreement and therefore are not approved labelers. Examples include Beiersdorf, the company which makes Aquaphor and Eucerin products, and some store-brand labelers.

The Federal regulations state that "a State may exclude or otherwise restrict coverage of a covered outpatient drug if the prescribed use is not for a medically accepted indication..." If a medication does not have an indication for pediatric use, then Medicaid can deny payment in patients under the age of 18 years.

The regulations outline certain drugs which can be excluded from coverage if they are used for or are:

- Anorexia, weight loss or weight gain
- Promotion of fertility
- Cosmetic purposes or hair growth
- Symptomatic relief of cough and cold*
- Promotion of smoking cessation
- Prescription vitamins and minerals (except prenatal vitamins and fluoride)*
- Nonprescription drugs*
- Barbiturates and Benzodiazepines*

In Nebraska, Medicaid covers some of these optional categories of drugs, as indicated by *.

CONTINUED ON PAGE 2



Nebraska Medicaid Drug Utilization Review Program

Administered for the Nebraska Health and Human Services System
by the Nebraska Pharmacists Association

6221 South 58th Street, Suite A | Lincoln, Nebraska 68516

Address Service Requested

Quarterly Newsletter of the Nebraska Drug Utilization Review (DUR) Program

CONTINUED FROM PAGE 1

The U.S. Code defines a covered outpatient drug as one which has been prescribed and is approved for safety and effectiveness. Medicaid covers drugs by prescription, even if they are non-prescription drugs. Often a patient can be treated with a less costly OTC medication quite effectively.

Recently, the FDA has taken action against companies that market unapproved drug products in timed-release dosage form which contain guaifenesin. Those products are no longer covered by Medicaid for that reason. The same logic applies to the unapproved hydrocodone, and carboxinamine products.

It is important to understand that when a FDA-approved, rebatable drug is being used for its indicated purpose, our Medicaid program must provide access to such drug per Federal Regulations. Access to certain drugs can be regulated by Prior Authorization. So the question could be "Shouldn't this drug require Prior Authorization?"

FDA Panel Wants Stronger Warning Against Provigil Use in Children

Last November an FDA advisory panel discussed a stronger label warning against Provigil use in children. The drug, used to treat excessive sleepiness, is currently not approved for children under 16. The panel voted unanimously that language stating *the drug is not recommended for use in children* is needed in addition to the language that states *the drug is not approved for use in pediatric patients*. The panel's major concern was the incidence of Steven's Johnson Syndrome associated with the drug's use. *By Nicole Gillespie Creighton University School of Pharmacy, Pharm D. Candidate*

NEBRASKA DUR

DUR Director

Marcia Muetting, PharmD, RP
6221 S 58th Street, Suite A
Lincoln, Nebraska 68516
Phone (402) 420-1500
Fax (402) 420-1406
Email dur@npharm.org
Website www.durnebraska.org

Nebraska Medicaid

Health & Human Services
PO Box 95026
Lincoln, Nebraska 68509-5026
Phone (402) 471-9029
Fax (402) 471-9092
Email barbara.mart@dhhs.ne.gov
Website www.hhs.state.ne.us/med/medprog.htm