

# PHARMACY FACTS

## Program Updates from Louisiana Medicaid

*April 19, 2024*

### **Magellan PBM updates**

LDH is aware, and has been actively working to resolve, a number of issues associated with the implementation of the Single managed care organization (MCO) pharmacy benefit manager (PBM), Magellan (MMA). Many known issues have been resolved, including those relative to, remittance advices, electronic payment, MAC rates for chain drug stores, quantity limit vs early refill, lock-in. MMA continues to work on eligibility, TPL, copay, and the dispensing fee recycle (should be complete on or before 4/30/2024).

For any ongoing or newly identified issues, all pharmacists are encouraged to reach out to Medicaid pharmacy staff directly for assistance. This will expedite Medicaid's ability to identify systemic issues that may affect other pharmacists. Contact information is in the footer of this document.

Since 2005, Louisiana Medicaid has contracted with Magellan for preferred drug list (PDL)/rebate services, and has been a part of The Optimal PDL Solution (TOP\$) purchasing pool, including a brand over generic list, for rebate negotiation. The new contract with Magellan for the PBM is separate and apart from this contract. The Magellan PBM does not negotiate, invoice or impact rebates.

In 2019, under legislative mandate, Medicaid implemented a Single PDL for MCOs and Medicaid's legacy, fee-for-service (FFS) program. The Single PDL shifts rebate collections from the MCOs to the state. As part of this implementation, the MCOs requested multiple additions to the Single PDL, which increased the therapeutic classes reviewed, many of which had brand over generic drugs.

There are times when brand products are preferred over generics because the net price to the state is less expensive after rebate. LDH pharmacy staff takes many items into consideration before adding drugs to the brand over generic list, including the cost to the pharmacy, the cost to the MCO and the rebate to the state. The current brand over generic list includes 30 drugs. The Department is currently analyzing the Single PDL and considering a more generic based list.

### **Hepatitis C Subscription Model**

LDH is excited to announce the continuation of the successful hepatitis C subscription model, a partnership with Asegua, for an additional year (July 2024-June 2025).

Sofosbuvir/velpatasvir (AG) will continue to be the preferred drug on the Single PDL with no prior authorization for initial treatment. The full treatment course can be dispensed with the initial claim (quantity 84).

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Vosevi® will move to a preferred status with prior authorization for retreatment on July 1, 2024.

Hepatitis C direct acting antivirals will continue to be excluded from 340B coverage.