

PHARMACY

The MCO shall cover all medically necessary prescription medicines on the Covered Drug List (CDL). The MCO shall not cover the following excluded drugs:

- ❖ Agents when used for anorexia, weight loss, or weight gain, except orlistat.
- ❖ Agents when used to promote fertility, except vaginal progesterone when used for high-risk pregnancy to prevent premature births.
- ❖ Agents when used for symptomatic relief of cough and colds, except for antihistamine and antihistamine/decongestant combination products.

The MCO shall cover the following drugs, with restrictions:

- ❖ Agents used for cosmetic purposes or hair growth only when medical necessity has been determined.
- ❖ Select drugs for erectile dysfunction, except when used for the treatment of conditions or indications other than erectile dysfunction as approved by the FDA.

The MCO shall notify LDH prior to implementing or changing any prescription limits. The MCO shall cover a minimum of four prescriptions per calendar month if prescribed for the enrollee. However, it may not enact prescription limits more stringent than those in the Louisiana Medicaid State Plan. If prescription limits are enacted, the MCO shall have Point of Sale (POS) override capabilities when a greater number of prescriptions per calendar month are determined to be medically necessary by the prescriber.

Except for the use of LDH-approved generic drug substitution of branded drugs, under no circumstances shall the MCO permit the therapeutic substitution of a prescribed drug without a prescriber's authorization.

Covered Drug List

In accordance with 42 C.F.R. § 438.3, the MCO shall maintain a Covered Drug List (CDL) which includes all outpatient drugs for which the manufacturer has entered into a federal rebate agreement and meet the standards in Section 1927 of the Social Security Act.

The CDL shall include all drugs deemed medically necessary for enrollees under the age of 21.

The CDL shall exclude only those drugs or drug categories permitted for exclusion under Section 1927(d) of the Social Security Act, with exceptions listed in the State Plan. MCOs may cover compounded drugs, diabetic supplies, and rebate eligible OTCs as a regular pharmacy benefit (not value added). MCOs may cover additional drugs as a value added benefit. MCOs shall cover, at a minimum, all vaccines and administration covered by FFS for adults and make them payable in the same program types.

The CDL shall be updated at least weekly using a national drug database.

When drugs (OTC or legend) are being covered as a pharmacy benefit and offered as a value-added benefit, pharmacy encounters shall indicate such in the Character 1: Submission type (Q, F, or V) of the 4-character prefix on the ICN of the Rx encounter.

The MCO may apply Point of Sale safety and utilization edits that align with FDA indications.

Deleted: The MCO may also cover additional pharmacy benefits, such as vaccines, diabetic supplies, and compounded drugs. ¶

Self-administered drugs dispensed by a pharmacy, including specialty pharmacies, shall be covered as a pharmacy benefit unless otherwise approved by LDH.

The medications listed in the U.S. Preventive Services Task Force (USPSTF) A and B Recommendations shall be payable as a pharmacy benefit and exempt from copay. Corresponding age limits may be applied.

Physician-administered drugs that are not listed on the FFS fee schedule but for which the manufacturer has signed a federal rebate agreement shall be covered as either a pharmacy benefit or a medical benefit. If the physician administered drug is not on the FFS fee schedule, but the MCO covers as a medical benefit, then reimbursement shall be set as a minimum by the current FFS reimbursement methodology in the State Plan.

Deleted: The medications listed in the U.S. Preventive Services Task Force (USPSTF) A and B Recommendations shall be payable as a pharmacy benefit and exempt from copay. Corresponding age limits may be applied.

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