South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Post Office Box 8206
Columbia, South Carolina 29202-8206
www.dhhs.state.sc.us

May 19, 2004

DEN	*04-03*
HH-HOSP	*04-02*
HOS-IP-GEN	*04-03*
HOS-OP	*04-03*
MC-DHEC	*04-02*
MC-FQHC	*04-03*
MC-MCHC	*04-03*
MC-RHC	*04-03*
MHRC-ADA	*04-03*
MHRC-MHC	*04-06*
PHARM	*04-02*
PHY-ALG	*04-03*
PHY-ANES	*04-04*
PHY-CARD	*04-03*
PHY-DERM	*04-03*
PHY-ENT	*04-05*
PHY-ER	*04-03*
PHY-MSP-CBP	*04-05*
PHY-MSP-HBP	*04-05*
PHY-OPHT	*04-05*
PHY-PATH	*04-04*
PHY-PC-FP/GP	*04-05*
PHY-PC-GER	*04-05*
PHY-PC-INT	*04-05*
PHY-PC-NEO	*04-05*
PHY-PC-OG	*04-05*
PHY-PC-PED	*04-05*
PHY-PC-PED/SUB	*04-05*
PHY-PS	*04-04*
PHY-RAD	*04-03*
PHY-S	*04-05*
PHY-SPEC	*04-03*
PHY-SURG	*04-03*
POD	*04-03*

MEDICAID BULLETIN

TO: **Providers Indicated**

SUBJECT: **South Carolina Medicaid Preferred Drug List**

During May 2004, the South Carolina Department of Health and Human Services will begin a gradual implementation (i.e., soft editing at the pharmacy point of sale) of South Carolina Medicaid's Preferred Drug List (PDL). The PDL implementation will consist of a number of phases with each phase involving an additional set of therapeutic classes to be included on the PDL. Attached to this bulletin is a listing of those products included in Phase I of the PDL implementation. The PDL will serve as a component of the existing prior authorization (PA) program.

Drugs that are currently available to Medicaid and SILVERxCARD beneficiaries will continue to be available. **Products included on the PDL will be available without prior authorization**. For those products within the Phase I therapeutic classes which are not on the PDL, the current process for requesting PA will remain in effect.

Prescribers may request prior authorization by telephone or fax:

- **Telephone the First Health Clinical Call Center at 866-247-1181 (toll free) or**
- **Fax a completed Prior Authorization Request Form to the First Health Clinical Call Center's fax number: 888-603-7696 (toll free).** (A fax form is included with this Medicaid bulletin.)

Notifications will be sent to prescribers regarding their patients who are currently on medications that will require PA as a result of the PDL. Alternative drug choices will be suggested to prescribers of drugs requiring prior authorization.

Pharmacists should note that during the initial implementation period of each PDL phase, soft edits [i.e., electronic messages that are received via point of sale (POS)] will be transmitted when pharmacy claims are submitted for products that will require PA when that PDL phase is fully implemented.

Soft editing will occur for approximately four to six weeks during the implementation period of each PDL phase (i.e., group of therapeutic classes) subject to inclusion on the PDL. The purpose of the soft edit is to notify the pharmacist of the PA requirement that will be necessary in the future. The soft edit will not cause the claim to reject; however, pharmacists are asked to take this opportunity to inform both the beneficiary ***and*** prescriber of the eventual PA requirement. When contacting prescribers, pharmacists are asked to remind them of alternative products within the therapeutic class that ***do not require PA*** for Medicaid coverage. (Refer to the attached listing or the PDL posting at **http://southcarolina.fhsc.com**. As subsequent phases are implemented, this on-line information will be revised, so providers should frequently refer to this web site for updates.)

Prescribers are encouraged to write prescriptions for the "preferred" products rather than prescribing those drugs that require PA. However, if a prescriber is concerned that the patient's clinical status necessitates a PA-required drug therapy, the prescriber should immediately initiate a PA request. A prospective PA request by the prescriber will help to avert the rejection of prescription claims at the pharmacy due to the PA requirement. First Health's Clinical Call Center is currently prepared to accept PA requests for products that will require PA as a result of the implementation of Phase I of the PDL.

Effective with dates of service July 21, 2004, hard edits will be activated (i.e., pharmacy claims without PA approval will deny) for **"non-preferred"** products within the following therapeutic classes:

- Angiotensin Converting Enzyme Inhibitors (ACEI)
- ACEI-Diuretic Combinations
- Angiotensin II Receptor Blocking Agents (ARBs)
- ARB/Diuretic Combinations
- Histamine_2 Receptor Antagonists (H2RAs)
- Proton Pump Inhibitors (PPI's)
- Oral Biphosphonates used for osteoporosis
- Cephalosporins

If the pharmacist submits a claim for a PA-required product that has not been granted approval for Medicaid reimbursement, the claim will reject. The prescriber should then be contacted by the pharmacist (or the patient) so that a determination may be made regarding whether a drug *not* requiring PA might be clinically appropriate for the patient. If alternative therapy is deemed inappropriate, it will be necessary to request prior authorization for that product through First Health's Clinical Call Center.

Providers are advised that those PA requirements that were in place *prior* to July 21, 2004 (e.g., orlistat, COX-2 inhibitors for beneficiaries under the age of 60, most brand name products, etc.) continue to be in effect. Requests for non-preferred products will be subject to the new PA criteria beginning with dates of service July 21, 2004. For example, under current PA criteria, prior authorization is not required for proton pump inhibitors (PPI's) prescribed for patients under the age of 21. Under the new PA criteria, Protonix®, Nexium® and Prilosec OTC® will be the

only PPI's available to those patients without prior authorization. Therefore, PA will be required for all other PPI's prescribed for this age group of beneficiaries. However, beneficiaries who have existing PA approvals for PPI's may continue on their same PPI therapies until the current PA approval expires. If the prescriber requests a renewal, the beneficiary will be required to meet certain criteria if continuation of a non-preferred agent is desired.

The overall success of the PDL is dependent on the cooperation of our Medicaid prescribers and pharmacists. Your efforts to assist the Medicaid program are recognized and appreciated.

Questions regarding this bulletin should be directed to the Department of Pharmacy Services at (803) 898-2876.

/s/

Robert M. Kerr
Director

RMK/bgav

Attachments

South Carolina Department of Health and Human Services
Preferred Drug List – Phase I

Products Within The Following Therapeutic Classes (Phase I)
Are Available WITHOUT Prior Authorization

Angiotensin Converting Enzyme Inhibitors (ACEI's)
Captopril
Enalapril
Enalapril/HCTZ
Lisinopril
Lisinopril/HCTZ
Aceon® **generic agents should be considered first-line when appropriate.*

Angiotensin Receptor Blockers (ARB's)

Avapro®
Avalide®
Benicar®
Benicar HCT®
Diovan®
Diovan HCT®

Biphosphonates Used For Osteoporosis

Actonel®
Fosamax®

Cephalosporins: Second Generation

Ceftin® Suspension
Cefuroxime Tablets
Cefzil® Tablets and Suspension

Cephalosporins: Third Generation

Omnicef® Capsules and Suspension
Spectracef® Tablets

Gastrointestinals: Histamine-2 Receptor Antagonists (H2RA's)
Famotidine
Ranitidine
Zantac® Syrup

Gastrointestinals: Proton Pump Inhibitors (PPI's)
Note: SC Medicaid has clinical criteria in effect for this class. Once criteria are met, the agents below will be preferred.
Nexium®
Protonix®
Prilosec OTC®

Implementation of the Preferred Drug List is being done in phases. The above therapeutic classes represent the first phase. For those products not listed in the above classes, prior authorization will be required using the process currently in place. Please note that all previous prior authorization criteria remain in effect.

First Health Clinical Call Center
Telephone: 866-247-1181 (toll-free)
Fax: 888-603-7696 (toll-free)

SOUTH CAROLINA MEDICAID PROGRAM

PRIOR AUTHORIZATION REQUEST

PRESCRIBER:

NAME: ______________________
FIRST LAST

DEA LICENSE # ______________________

PHONE # ( ) ______________________

FAX # ( ) ______________________

BENEFICIARY:

NAME: ______________________
FIRST LAST

MEDICAID#/SSN : ______________________

DATE OF BIRTH: ______________ **SEX:** _____

REQUEST DATE: ______________________

PRESCRIBER'S OFFICE STAFF MEMBER COMPLETING FORM: ______________________

PHARMACY: ______________________ **PHONE:** ( ) ______________________

PRIOR AUTHORIZATION REQUESTED FOR: (Please check appropriate prior authorization type)

- ☐ **Anti-Ulcer Therapy**
- ☐ **COX-II Inhibitor Therapy**
- ☐ **Brand Name NSAID Therapy**
- ☐ **Erectile Dysfunction Therapy**
- ☐ **Growth Hormone**
- ☐ **Orlistat** (please include information regarding height, weight, diet plans, nutritional counseling, etc., with all orlistat requests)
- ☐ **OxyContin®**
- ☐ **Panretin®/Targretin®**
- ☐ **Preferred Drug List**
- ☐ **Quantity Limits**

Other: ______________________

*"Brand Medically Necessary" requests require MedWatch form – please submit those requests on appropriate form

DRUG NAME	DOSE	STRENGTH	LENGTH OF THERAPY

DIAGNOSIS: ______________________

DIAGNOSTIC PROCEDURES AND FINDINGS (please list dates): ______________________

MEDICAL JUSTIFICATION FOR PRODUCT USE: ______________________

PRESCRIBER'S SIGNATURE AND SPECIALTY: ______________________

FIRST HEALTH SERVICES USE ONLY: ☐ **APPROVED** ☐ **DENIED**

DATE: _____/_____/_______

MAP RPh/TECH: ______________________

NDC: ______________________

COMMENTS: ______________________

SUBMIT REQUESTS TO: **FIRST HEALTH SERVICES**
FAX: (888) 603-7696 **TELEPHONE: (866) 247-1181**

Revised: May 2004