



MEDICAL ASSISTANCE BULLETIN

COMMONWEALTH OF PENNSYLVANIA • DEPARTMENT OF PUBLIC WELFARE

ISSUE DATE December 23, 2005	EFFECTIVE DATE January 1, 2006	NUMBER *See Below
SUBJECT Prior Authorization of Prilosec Over-the-Counter (OTC) and Loratadine OTC for Dual Eligibles	BY  James L. Hardy, Acting Deputy Secretary Office of Medical Assistance Programs	

PURPOSE:

The purpose of this bulletin is to:

1. Inform providers that the Department will require prior authorization of prescriptions for Prilosec OTC and Loratadine OTC for dual eligibles.
2. Issue updated handbook pages that include the type of information needed to evaluate requests for Prilosec OTC and Loratadine OTC for coverage and medical necessity.

SCOPE:

This bulletin applies to all pharmacies and licensed prescribers enrolled in the Medical Assistance (MA) Program and providing services in the fee-for-service (FFS) delivery system, including pharmacy services to residents in long term care facilities.

BACKGROUND:

On November 17, 2005, the Department issued MA Bulletin Number 99-05-21, "Scope of Coverage of Pharmacy Services for Dual Eligibles in the Medical Assistance (MA) Program." This MA Bulletin announced that effective January 1, 2006, dual eligibles will receive prescription drug coverage through Medicare Part D rather than the MA Program, with some exceptions. The exceptions relate to drugs excluded from coverage under Part D and otherwise covered under the MA Program for all other MA recipients who qualify for pharmacy services. The list of drugs that comprise the scope of pharmacy services for dual eligibles who qualify for pharmacy services under the MA Program includes Benzodiazepines, Barbiturates, agents when used for the symptomatic relief of cough and colds (applies only to children under 21 years of age), and Over the Counter (OTC) drugs, under certain circumstances.

*02-05-05, 03-05-08, 08-05-17, 09-05-17, 11-05-09, 14-05-07, 24-05-13, 27-05-07, 30-05-07, 31-05-18, 32-05-05

COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:

The appropriate toll free number for your provider type

Visit the Office of Medical Assistance Programs website at www.dpw.state.pa.us/omap

DISCUSSION:

The Centers for Medicare and Medicaid Services (CMS) clarified that while OTC drugs are excluded from coverage under Medicare Part D, Medicare Prescription Drug Plans and Medicare Advantage Prescription Drug Plans can provide OTC drugs at no cost to the Medicare Part D enrollee as part of a plan utilization management program, including a step-therapy program. In this circumstance, the Medicare Part D Plan is the primary payer. As set forth in 55 Pa Code § 1101.64(a), other private or governmental health insurance benefits shall be utilized before billing the MA Program and the pharmacy should submit the claim for the OTC to the Medicare plan.

To assure that Prilosec OTC and Loratadine OTC are prescribed only when medically necessary and are the payment responsibility of the Department and not the Medicare Part D Plan, the Department will require prior authorization for prescriptions for Prilosec OTC and Loratadine OTC dispensed on and after January 1, 2006, including refills, for all dual eligibles in the FFS delivery system.

PROCEDURE:

The procedures to request prior authorization of Prilosec OTC and Loratadine OTC, dispense an emergency supply, and submit claims are described in the Prior Authorization of Pharmaceutical Services Handbook. Providers should place the updated handbook pages in their provider handbooks. As set forth in 55 Pa Code §1101.67(a), the procedures described in the handbook pages must be followed to ensure appropriate and timely processing of prior authorization requests for Prilosec OTC and Loratadine OTC for dual eligibles.

With the exception of Prilosec OTC and Loratadine OTC, the requirements and procedures to prescribe and submit claims for the limited scope of pharmacy services for dual eligibles have not changed. Prescribers can continue to prescribe and pharmacies can continue to submit claims for Benzodiazepines, Barbiturates, agents when used for the symptomatic relief of cough and colds for children under 21 years of age, and all other OTC drugs, consistent with current MA regulations and procedures for claims submission.

Claims for OTC drugs which are part of a Medicare Part D Plan utilization management program, including a step therapy or prior authorization program, should be submitted to the Medicare Part D Plan. Example: A Medicare Part D Plan requires a trial and failure of Prilosec OTC before it will approve a Proton Pump Inhibitor on the Plan's formulary. The pharmacy should submit the claim to the Medicare Part D Plan. Claims for OTC drugs which are not part of a Medicare Part D Plan utilization management program can be submitted to the MA Program. Example: A dual eligible recipient has a history of myocardial infarction or unstable angina pectoris and is prescribed aspirin to reduce the risk of heart attacks. The pharmacy should submit the claim to the MA Program.

ATTACHMENTS:

Prior Authorization Of Pharmaceutical Services – updated handbook pages