

ISSUE DATE November 10, 2020	EFFECTIVE DATE January 5, 2021	NUMBER *See below
SUBJECT Prior Authorization of Hypoglycemics, TZDs – Pharmacy Services		BY  Sally A. Kozak, Deputy Secretary Office of Medical Assistance Programs

IMPORTANT REMINDER: All providers must revalidate the Medical Assistance (MA) enrollment of each service location every 5 years. Providers should log into PROMISE to check the revalidation dates of each service location and submit revalidation applications at least 60 days prior to the revalidation dates. Enrollment (revalidation) applications may be found at: <https://www.dhs.pa.gov/providers/Providers/Pages/PROMISE-Enrollment.aspx>.

PURPOSE:

The purpose of this bulletin is to issue updated handbook pages that include the requirements for prior authorization and the type of information needed to evaluate the medical necessity of prescriptions for Hypoglycemics, TZDs submitted for prior authorization.

SCOPE:

This bulletin applies to all licensed pharmacies and prescribers enrolled in the Medical Assistance (MA) Program. The guidelines to determine the medical necessity of Hypoglycemics, TZDs will be utilized in the fee-for-service delivery system and by the MA managed care organizations (MCOs) in Physical Health HealthChoices and Community HealthChoices. Providers rendering services in the MA managed care delivery system should address any questions related to the prior authorization of Hypoglycemics, TZDs to the appropriate managed care organization.

*01-20-30	09-20-29	27-20-25	33-20-26
02-20-23	11-20-23	30-20-22	
03-20-23	14-20-24	31-20-30	
08-20-33	24-20-23	32-20-22	

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 <https://www.dhs.pa.gov/providers/Providers/Pages/Health%20Care%20for%20Providers/Contact-Information-for-Providers.aspx>.

BACKGROUND:

The Department of Human Services' (Department) Pharmacy and Therapeutics (P&T) Committee reviews published peer-reviewed clinical literature and recommends the following:

- Preferred or non-preferred status for new drugs in therapeutic classes already included in the Preferred Drug List (PDL);
- Changes in the status of drugs on the PDL from preferred to non-preferred and non-preferred to preferred;
- New quantity limits;
- Classes of drugs to be added to or deleted from the PDL; and
- New guidelines or revisions to existing guidelines to evaluate the medical necessity of prescriptions submitted for prior authorization.

DISCUSSION:

During the August 12, 2020, meeting, the P&T Committee recommended a revision to the guidelines to determine medical necessity of Hypoglycemics, TZDs to address recent updates to consensus treatment guidelines that recommend initial dual therapy with metformin and another hypoglycemic medication in some patients.

The revisions to the guidelines to determine medical necessity of Hypoglycemics, TZDs, as recommended by the P&T Committee, were subject to public review and comment and subsequently approved for implementation by the Department.

PROCEDURE:

The procedures for prescribers to request prior authorization of Hypoglycemics, TZDs are located in SECTION I of the Prior Authorization of Pharmaceutical Services Handbook. The Department will take into account the elements specified in the clinical review guidelines (which are included in the provider handbook pages in the SECTION II chapter related to Hypoglycemics, TZDs) when reviewing the prior authorization request to determine medical necessity.

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 drugs that require prior authorization.

ATTACHMENTS:

Prior Authorization of Pharmaceutical Services Handbook - Updated pages

RESOURCES:

Prior Authorization of Pharmaceutical Services Handbook – SECTION I

Pharmacy Prior Authorization General Requirements

<https://www.dhs.pa.gov/providers/Pharmacy-Services/Pages/Pharmacy-Prior-Authorization-General-Requirements.aspx>

Prior Authorization of Pharmaceutical Services Handbook – SECTION II

Pharmacy Prior Authorization Guidelines

<https://www.dhs.pa.gov/providers/Pharmacy-Services/Pages/Clinical-Guidelines.aspx>

MEDICAL ASSISTANCE HANDBOOK
PRIOR AUTHORIZATION OF PHARMACEUTICAL SERVICES

I. Requirements for Prior Authorization of Hypoglycemics, TZDs

A. Prescriptions That Require Prior Authorization

All prescriptions for Hypoglycemics, TZDs must be prior authorized.

B. Review of Documentation for Medical Necessity

In evaluating a request for prior authorization of a prescription for a Hypoglycemics, TZD, the determination of whether the requested prescription is medically necessary will take into account whether the beneficiary:

1. Has a diagnosis of type 2 diabetes mellitus; **AND**
2. Has a documented history of **one** of the following:
 - a. Failure to achieve glycemic control as evidenced by the beneficiary's HbA1c values using maximum tolerated doses of metformin,
 - b. A contraindication or intolerance to metformin,
 - c. Requires initial dual therapy with metformin based on HbA1c as defined by the American Diabetes Association or the American Association of Clinical Endocrinologists and American College of Endocrinology;

AND

3. For a non-preferred Hypoglycemics, TZD, has a documented history of therapeutic failure, contraindication, or intolerance of the preferred Hypoglycemics, TZDs. See the Preferred Drug List (PDL) for the list of preferred Hypoglycemics, TZDs at: <https://papdl.com/preferred-drug-list>; **AND**
4. If a prescription for a Hypoglycemics, TZD is in a quantity that exceeds the quantity limit, the determination of whether the prescription is medically necessary will also take into account the guidelines set forth in the Quantity Limits Chapter. The list of drugs that are subject to quantity limits, with accompanying quantity limits, is available at: <https://www.dhs.pa.gov/providers/Pharmacy-Services/Pages/Quantity-Limits-and-Daily-Dose-Limits.aspx>.

NOTE: If the beneficiary does not meet the clinical review guidelines listed above but, in the professional judgment of the physician reviewer, the services are medically necessary to meet the medical needs of the beneficiary, the request for prior authorization will be approved.

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C. Clinical Review Process

Prior authorization personnel will review the request for prior authorization and apply the clinical guidelines in Section B. above to assess the medical necessity of a prescription for a Hypoglycemics, TZD. If the guidelines in Section B. are met, the reviewer will prior authorize the prescription. If the guidelines are not met, the prior authorization request will be referred to a physician reviewer for a medical necessity determination. Such a request for prior authorization will be approved when, in the professional judgment of the physician reviewer, the service is medically necessary to meet the medical needs of the beneficiary.

D. Automated Prior Authorization

Prior authorization of a prescription for a preferred Hypoglycemics, TZD with a prescribed quantity that does not exceed the quantity limit will be automatically approved when the Point-of-Sale On-Line Claims Adjudication System verifies a record of a paid claim(s) within 90 days of the date of service that documents that the guidelines to determine medical necessity listed in Section B. have been met.

E. References

1. American Diabetes Association. Pharmacologic approaches to glycemic treatment. Sec. 9. In Standards of Medical Care in Diabetes – 2020. Diabetes Care. 2020 Jan; 43 (Supplement 1): S98-S110. <https://doi.org/10.2337/dc20-S009>.
2. American Diabetes Association. Cardiovascular disease and risk management. Sec. 10. In Standards of Medical Care in Diabetes – 2019. Diabetes Care. 2020 Jan; 43 (Supplement 1): S111-S134. <https://doi.org/10.2337/dc20-S010>.
3. Garber AJ, Handelsman Y, et al. Consensus statement by the American Association of Clinical Endocrinologists and American College of Endocrinology on the comprehensive type 2 diabetes management algorithm – 2020 executive summary. Endocrine Practice. 2020;26(1):107-139.