PHARMACY FACTS

Program Updates from Louisiana Medicaid

April 29, 2019

Medicaid single preferred drug list effective May 1, 2019

Effective May 1, 2019, the Preferred Drug List (PDL) that has been in place for fee-for-service (FFS) Medicaid since January will expand to include managed care organizations (MCO).

Drugs on the PDL will not be subject to prior authorization. The other drugs in the process (non-preferred) will require prior authorization. The list of drugs will be the same for FFS and all five MCOs. Each of the five MCOs will establish a permanent link to the Single PDL on their existing provider web pages. Medicaid will also post the link on their provider pages, including that program's <u>fiscal intermediary website</u> and the <u>pharmacy portal</u> on the <u>Provider & Plan Resources page</u>.

Members of the newly created Pharmacy Advisory Committee have made recommendations to LDH to further streamline the prior authorization process and drug selection.

More background on the single PDL can be found in previous editions of Pharmacy Facts.

Pharmacy and Therapeutics Committee

The Pharmacy and Therapeutics Committee met on Friday, April 26. Topics included:

- The preferred or non-preferred status of drugs in 59 therapeutic drug classes.
- Clinical and financial considerations of the therapeutic classes.

Upon approval of Louisiana Department of Health Secretary Dr. Rebekah Gee, the recommendations will be implemented with an effective date of July 1, 2019.

Pharmacy claims for FFS members and MCO members will all follow the Single PDL status.

Reimbursement Changes

Also on May 1, reimbursement methodology will change for FFS recipient pharmacy claims and for MCO enrollees who fill prescriptions at local pharmacies.

Ingredient cost will change from average acquisition cost (AAC) to national average drug acquisition cost (NADAC). The professional dispensing fee will increase from \$10.41 to \$10.99 on the identified claims.