

Commonwealth of Massachusetts Executive Office of Health and Human Services Office of Medicaid

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MassHealth All Provider Bulletin 343 May 2022

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TO: All Providers Participating in MassHealth

FROM: Amanda Cassel Kraft, Assistant Secretary for MassHealth

RE: MassHealth and Health Safety Net Coverage of Formula, including

Temporary Modification of Prior Authorization Requirements

Background

Through this bulletin, the Executive Office of Health and Human Services (EOHHS) informs all providers about the coverage of formula through the MassHealth durable medical equipment (DME) and pharmacy programs. This bulletin supplements <u>All Provider Bulletin 340</u>, which informed providers about pharmacy coverage of pediatric enteral special formula and thickening agents.

In response to recent supply chain issues impacting the availability of formula, MassHealth has modified its prior authorization (PA) process for formula for both DME and pharmacy providers, and expanded coverage for formula through the pharmacy program. Specifically, MassHealth has suspended all PA requirements on formula for pharmacy providers and expanded its coverage for formula through the pharmacy program to include all medically necessary formula, in addition to pediatric enteral special formula and thickening agents. For DME providers, MassHealth has simplified the PA process for submitted PA requests for formula and also allows DME providers to obtain retrospective approval for formula dispensed to eligible MassHealth members (MassHealth continues to cover all medically necessary formula dispensed by DME providers). Additional details and effective dates for these policies are described below.

Please note that while formula dispensed by both DME and pharmacy providers will continue to require a prescription, **MassHealth strongly encourages prescribers to write down any appropriate substitute products on the prescriptions for formula, in addition to the preferred product**. This will enable the DME or pharmacy provider to dispense the substitute formula in the event the preferred product is unavailable without the need for a new or modified prescription.

These updates apply to MassHealth Standard, CommonHealth, CarePlus, Family Assistance, and Children's Medical Security Plan (CMSP) members whose pharmacy claims are paid through Pharmacy Online Processing System (POPS), including members enrolled in MassHealth fee-for-service and the Primary Care Clinician (PCC) plan or in a Primary Care Accountable Care Organization (PCACO). This change also applies to Health Safety Net patients. This coverage does not apply to MassHealth Limited members. Information about coverage through other MassHealth managed care entities and PACE will be issued in a forthcoming MCE bulletin.

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Formula Coverage through Pharmacy Providers

MassHealth has expanded coverage for formula dispensed through pharmacies and is suspending PA requirements. Specifically, and effective for dates of service beginning May 17, 2022, MassHealth has expanded its coverage of formula dispensed by pharmacy providers to include all medically necessary formula. This is in addition to the coverage for pediatric enteral special formula and thickening agents dispensed by pharmacy providers described in All Provider Bulletin 340. Pediatric enteral special formula and thickening agents have been added to the MassHealth Non-Drug Product List, as described in Pharmacy Facts 175. Coverage for other formula products will be added to the MassHealth Non-Drug Product List in a forthcoming update.

MassHealth has allowed and will continue to allow formula to be dispensed by pharmacy providers without PA. This suspension of PA will continue for an additional 90 days after May 20, 2022 or for such longer period as specified by MassHealth in a subsequent bulletin. During this period, pharmacy providers may process and dispense formula with a valid prescription from the member's prescriber through POPS.

Payment for formula dispensed by pharmacy providers

Pharmacies are paid for formula at the lower of the Wholesale Acquisition Cost or the submitted Usual and Customary Charge. MassHealth expects to codify this rate methodology in forthcoming amendments to EOHHS rate regulations.

Formula Coverage through DME Providers

MassHealth is continuing its streamlined PA review process for formula dispensed by DME providers and will also allow DME providers to dispense formula prior to obtaining authorization. Specifically, MassHealth's streamlined DME PA review is limited to review of prescriptions and manufacturer invoices. In addition, and notwithstanding the requirement in 130 CMR 409.418, **PA** is not required prior to the delivery of formula supplied by a DME provider. However, providers must have an approved authorization for formula prior to filing a claim. These policies are in effect now and will continue for an additional 90 days after May 20, 2022 or for such longer period as specified by MassHealth in a subsequent bulletin.

Expedited review for substitute/replacement formula

DME providers are reminded that, as set forth in prior informal guidance issued by MassHealth on February 24th, 2022, MassHealth has expedited processing for substitute/replacement formula. DME providers should submit a new PA request when seeking a replacement/substitute formula. Please reference the existing PA number on the new PA request for replacement/substitute formula.

Payment for formula dispensed by DME providers

Payment for formula dispensed by DME providers is governed by the Executive Office of Health and Human Services (EOHHS) rate regulation at 101 CMR 322.00: *Durable Medical Equipment*,

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Oxygen and Respiratory Therapy Equipment at https://www.mass.gov/regulations/101-CMR-32200-durable-medical-equipment-oxygen-and-respiratory-therapy-equipment.

Reminder about Women, Infants, and Children's (WIC) Program

Providers should also keep in mind the Massachusetts Department of Public Health's (DPH) Women, Infants, and Children (WIC) program, which is available to all MassHealth members who meet the basic WIC eligibility criteria. This is an important resource for MassHealth members who need support accessing standard formula that is not covered by MassHealth. More information on the WIC program is available at https://www.mass.gov/orgs/women-infants-children-nutrition-program.

MassHealth Website

This bulletin is available on the <u>MassHealth Provider Bulletins</u> web page.

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Questions

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