

Duals Initiative: Guidance on Pharmacy Coverage

June 5, 2012

This document includes information on CMS's requirements for Duals Demonstration plans to submit pharmacy information into the CMS Health Plan Management System (HPMS), and supplemental instructions from MassHealth.

In general, ICOs will be required to follow all Medicare drug coverage requirements. In addition, MassHealth will require that ICOs cover certain specific drugs or drug classes that are covered by MassHealth, including:

- Over-the-counter (OTC) drugs¹ (beyond the options plans have to cover these products under Part D);
- Barbiturates, for indications not covered by Part D (butalbital, mephobarbital, phenobarbital secobarbital);
- "Miscellaneous" drugs, for indications not covered by Part D (dronabinol, megestrol, oxandrolone, somatropin);
- Prescription vitamins and minerals..

Specific instructions related to HPMS file submissions are included below..

Supplemental Formulary Files

These files are due in HPMS by June 8 and include files for Excluded Drugs and OTCs that the Demonstration plan intends to cover. Demonstration plans interested in offering free first fill, and/or bundled home infusion drug benefits must submit supplemental files. The following files are available for use:

1. Excluded Drug File
2. OTC Drug File – The Part D program allows plans the option of providing OTC drugs as part of their administrative cost structure, either as (1) a part of general drug utilization management, or (2) as part of a step therapy protocol, but always at no cost to the enrollee.² *This file submission should include only those OTC drugs that are being provided under the plan consistent with Part D rules – that is, either as part of a general utilization management program or as part of a step therapy protocol, and at no cost to the member.*
3. Free First Fill File
4. Home Infusion File

MASSHEALTH INSTRUCTIONS

Please use the Excluded Drug File to indicate coverage of:

¹ See the MassHealth Over the Counter Drug list at <https://masshealthdruglist.ehs.state.ma.us/MHDL/> for details on the OTC products covered by MassHealth.

² Refer to section 60.2 of Chapter 7 of the Prescription Drug Benefit Manual (<https://www.cms.gov/PrescriptionDrugCovContra/Downloads/Chapter7.pdf>) for more detail about the provision of OTC drugs under Part D.

1. Barbiturates, with Prior Authorization criteria to show coverage for indications excluded by Part D³; and
2. Prescription vitamins and minerals, as covered by MassHealth.

Please use the OTC Drug File to indicate coverage of OTC products that are being provided under the plan consistent with Part D rules – that is, either as part of a general utilization management program or as part of a step therapy protocol, and at no cost to the member.

Additional Demonstration Plan Drug File

To indicate coverage of additional prescription or OTC drug products and non-drug products that cannot be captured in the base formulary, Excluded Drug file, or OTC Drug file, interested organizations must submit an Additional Demonstration Drug (ADD) file to CMS by June 15.

MASSHEALTH INSTRUCTIONS

Please use the ADD file to indicate coverage of:

1. The products dronabinol, megestrol, oxandrolone, and somatropin, using Prior Authorization criteria to show coverage for indications not covered by Part D;
2. OTC products as they are covered by MassHealth, beyond the Part D coverage circumstances (for a list of OTC covered by MassHealth, see the “MassHealth OTC Drug List” at <https://masshealthdruglist.ehs.state.ma.us/MHDL/>); and
3. The following non-drug OTC products covered by MassHealth (and not covered by Medicare Part B or Part D):
 - a. Hyper-Sal (sodium chloride 7% for inhalation); and
 - b. Urine glucose testing reagent strips used for the management of diabetes.Please note: per MassHealth policy, ICOs will not be permitted to charge a copay for these two non-drug OTC products.

In completing the ADD file, Demonstration plans must submit at least one NDC for each covered drug product.

For questions regarding the ADD file, please email duals@state.ma.us. For questions related to HPMS submissions or other formulary issues, CMS encourages organizations to contact both PartDBenefits@cms.hhs.gov and MMCOCapsModel@cms.hhs.gov.

³ Please note that the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) requires that, starting in 2013, barbiturates be covered by Part D when used for the medical indications of epilepsy, cancer, or a chronic mental health disorder.