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Title:	Prescription Drug Transition Policy
Dates:	Revised Date: 9-9-09 06-18-10 Original Effective Date: 04-07
Replaces:	
Cross References:	

Purpose: To provide guidance on the transition process for new or current Puget Sound Health Partners (PSHP) members to ensure continued drug coverage according to the CMS guidelines set forth in 42 CFR 423.120(b)(3).

Policy: PSHP and its PBM partner will maintain and implement a Part D transition process that meets CMS requirements. PSHP provides an attestation to each element that includes those elements delegated to the PBM. This attestation is maintained in the formulary submission file. Each element is ultimately the responsibility of PSHP.

PSHP will maintain an appropriate transition process consistent with 42 CFR §423.120(b)(3) that includes a written description of how, for enrollees whose current drug therapies may not be included in their new Part D plan's formulary, it will effectuate a meaningful transition for: (1) new enrollees into prescription drug plans at the beginning of a contract year; (2) the transition of newly eligible Medicare beneficiaries from other coverage at the beginning of a contract year; (3) the transition of individuals who switch from one plan to another after the beginning of a contract year; (4) enrollees residing in long-term care (LTC) facilities; and (5) in some cases, current enrollees affected by formulary changes from one contract year to the next.

PSHP will submit a copy of its transition process policy to CMS.

PSHP will ensure that its transition policy will apply to non-formulary drugs, meaning both (1) Part D drugs that are not on PSHP's formulary; and (2) Part D Drugs that are on PSHP's formulary but require prior authorization or step therapy under a plan's utilization management rules. PSHP will ensure that its policy addresses procedures for medical review of non-formulary drug requests, and when appropriate, a process for switching new Part D plan enrollees to therapeutically appropriate formulary alternatives failing an affirmative medical necessity determination.

PSHP will ensure that in the retail setting, the transition policy provides for at least a one-time, temporary 30-day fill (unless the enrollee presents with a prescription

written for less than 30 days in which case PSHP will allow multiple fills to provide up to a total of 30 days of medication.) anytime during the first 90 days of a beneficiary's enrollment in a plan, beginning on the enrollee's effective date of coverage.

PSHP will ensure that cost-sharing for a temporary supply of drugs provided under its transition process will never exceed the statutory maximum co-payment amounts for low-income subsidy (LIS) eligible enrollees. For non-LIS eligible enrollees, PSHP will ensure that cost-sharing for a temporary supply of drugs provided under the transition process is based on one of its approved cost-sharing tiers and is consistent with cost-sharing PSHP would charge for non-formulary drugs approved under a coverage exception.

PSHP will ensure in the long-term care setting: (1) the transition policy provides for a 31-day fill (unless the enrollee presents with a prescription written for less than 31 days), with multiple refills as necessary, up to a 93 days' supply during the first 90 days of a beneficiary's enrollment in a plan, beginning on the enrollee's effective date of coverage; (2) in the long-term care setting, after the 90 day transition period has expired, the transition policy provides for a 31-day emergency supply of non-formulary Part D drugs (unless the enrollee presents with a prescription written for less than 31 days) while an exception or prior authorization is requested; and (3) for enrollees being admitted to or discharged from a LTC facility, early refill edits are not used to limit appropriate and necessary access to their Part D benefit, and such enrollees are allowed to access a refill upon admission or discharge.

PSHP will ensure that pharmacies can override step therapy and prior authorization edits - other than those that are in place to determine Part B versus Part D coverage, prevent coverage of non-Part D drugs, and promote safe utilization of a Part D drug (e.g., quantity limits based on FDA maximum recommended dose, early refill edits) - during transition at point-of-sale.

PSHP will ensure that the transition policy provides refills for transition prescriptions dispensed for less than the written amount due to quantity limits for safety purposes or drug utilization edits that are based on approved product labeling.

PSHP will ensure that it will apply all transition processes to a brand new prescription for a non-formulary drug if it cannot make the distinction between a brand-new prescription for a non-formulary drug and an ongoing prescription for a non-formulary drug at the point-of-sale.

PSHP will send written notice via U.S. first class mail to enrollee within three business days of adjudication of a temporary fill. The notice will include (1) an explanation of the temporary nature of the transition supply an enrollee has received; (2) instructions for working with PSHP and the enrollee's prescriber to

identify appropriate therapeutic alternatives that are on the plan's formulary; (3) an explanation of the enrollee's right to request a formulary exception; and (4) a description of the procedures for requesting a formulary exception. PSHP will use the CMS model Transition Notice via the file-and-use process or submit a non-model Transition Notice to CMS for marketing review subject to a 45-day review.

PSHP will make available prior authorization or exceptions request forms upon request to both enrollees and prescribing physicians via a variety of mechanisms, including mail, fax, email, and on plan web sites.

Until such time as alternative transactional coding is implemented in a new version of the HIPAA standard, PSHP will promptly implement either: (1) appropriate systems changes to achieve the goals of any additional new messaging approved by the industry through NCPDP to address clarifying information needed to adjudicate a Part D claim (see the 5.1 Editorial Document), or (2) alternative approaches that achieve the goals intended in the messaging guidance.

PSHP will make the transition policy available to enrollees via link from Medicare Prescription Drug Plan Finder to sponsor web site and include in pre-and post-enrollment marketing materials as directed by CMS.

PSHP will make arrangements to continue to provide necessary Part D drugs to enrollees via an extension of the transition period, on a case-by-case basis, to the extent that their exception requests or appeals have not been processed by the end of the minimum transition period and until such time as a transition has been made (either through a switch to an appropriate formulary drug or a decision on an exception request).

For current enrollees whose drugs are no longer on the PSHP formulary, PSHP will effectuate a meaningful transition by (1) providing a transition process consistent with the transition process required for new enrollees beginning in the new contract year; or (2) effectuating a transition prior to the beginning of the new contract year.

PSHP will extend its transition policy across contract years should a beneficiary enroll with an effective enrollment date of either November 1 or December 1 and need access to a transition supply.

Implementation Statement

Claims Adjudication System: PSHP's PBM has systems capabilities that allow it to provide a temporary supply of non-formulary Part D drugs in order to accommodate the immediate needs of an enrollee, as well as to allow the plan and/or the enrollee sufficient time to work with the prescriber to make an appropriate switch to a therapeutically equivalent medication or the completion of

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an exception request to maintain coverage of an existing drug based on medical necessity reasons.

Pharmacy Notification at Point-Of-Sale: Until such time as alternative transactional coding is implemented in a new version of the HIPAA standard, PSHP's PBM will promptly implement either: (1) appropriate systems changes to achieve the goals of any additional new messaging approved by the industry through NCPDP to address clarifying information needed to adjudicate a Part D claim (see the 5.1 Editorial Document), or (2) alternative approaches that achieve the goals intended in the messaging guidance.

Edits During Transition: During an enrollee's transition period, the only edits that are enforced by the PBM's claims adjudication system are: (1) edits to help determine Part B vs. Part D coverage, (2) edits to help prevent coverage of non-Part D drugs (i.e., excluded drugs); and (3) edits to help promote safe utilization of a Part D drug (i.e., quantity limits based on FDA maximum recommended daily dose, early refill edits).

The PBM will ensure that the transition policy provides refills for transition prescriptions dispensed for less than the written amount due to quantity limits for safety purposes or drug utilization edits that are based on approved product labeling.

Pharmacy Overrides at Point-Of-Sale: During the member's transition period, all edits (with the exception of those outlined in part c above) associated with non-formulary drugs are automatically overridden by the claims adjudication system at the point-of-sale.

PSHP's PBM will ensure that pharmacies can override step therapy and prior authorization edits - other than those that are in place to determine Part B versus Part D coverage, prevent coverage of non-Part D drugs, and promote safe utilization of a Part D drug (e.g., quantity limits based on FDA maximum recommended dose, early refill edits) - during transition at point-of-sale. Pharmacies can also contact PSHP's PBM Pharmacy Help Desk directly for immediate assistance with point-of-sale overrides. The PBM can also accommodate overrides at point-of-sale for emergency fills as described in section 1.6.

Scope:

Member Services, Pharmacy Benefit Management, Care Management, Compliance, Grievance and Appeals

Approval:

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Policy Owner:	Chief Medical Officer
Approving Body:	Pharmacy and Therapeutics Committee

Approved By:	Date:
Pharmacy and Therapeutics Committee	06/21/2010