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**North Carolina
Medicaid Pharmacy
Newsletter**

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Reinstatement of NDCs from CMS

After further review, CMS has withdrawn the DESI code of 5 for several Polyethylene Glycol 3350 NDCs. As a result, these NDCs are eligible for coverage under the Medicaid Drug Rebate Program and have been updated to reflect a DESI code of 2 as of **May 26, 2009**.

NDC	Drug Name
00574041202	POLYETHYLENE GLYCOL 3350 POW
00574041205	POLYETHYLENE GLYCOL 3350 POW
00574041207	POLYETHYLENE GLYCOL 3350 POW
10572081002	POLYETHYLENE GLYCOL 3350 POW
10572081003	POLYETHYLENE GLYCOL 3350 POW
10572081005	POLYETHYLENE GLYCOL 3350 POW
49884014643	POLYETHYLENE GLYCOL 3350 POW
49884014646	POLYETHYLENE GLYCOL 3350 POW
51991045757	POLYETHYLENE GLYCOL 3350 POW
51991045758	POLYETHYLENE GLYCOL 3350 POW
52268080002	MIRALAX POWER
52268080003	MIRALAX POWER
52268080005	MIRALAX POWER
62175044214	GLYCOLAX PACKET
62175044215	GLYCOLAX POWER
62175044231	GLYCOLAX POWER

Proposed Clinical Coverage Policies

In accordance with NCGS §108A-54.2, proposed new or amended Medicaid clinical coverage policies are available for review and comment on DMA's website. To submit a comment related to a policy, refer to the instructions on <http://www.ncdhhs.gov/dma/mpproposed/>. Providers without Internet access can submit written comments to the address listed below.

Loretta Bohn
 Division of Medical Assistance
 Clinical Policy Section
 2501 Mail Service Center
 Raleigh NC 27699-2501

The initial comment period for each proposed policy is 45 days. An additional 15-day comment period will follow if a proposed policy is revised as a result of the initial comment period.

Early and Periodic Screening, Diagnosis and Treatment and Applicability to Medicaid Services and Providers

Service limitations on scope, amount, duration, frequency, location of service, and other specific criteria stated in this publication **may be exceeded or may not apply to recipients under 21 years of age** if the provider's documentation shows that

- the requested service is medically necessary to correct or ameliorate a defect, physical or mental illness, or health problem; and
- all other Early and Periodic Screening, Diagnosis and Treatment (EPSDT) criteria are met.

This applies to both proposed and current limitations. Providers should review any information in this publication that contains limitations in the context of EPSDT and apply that information to their service requests for recipients under 21 years of age. A brief summary of EPSDT follows.

EPSDT is a federal Medicaid requirement (42 U.S.C. § 1396d(r) of the Social Security Act) that requires the coverage of services, products, or procedures for Medicaid recipients under 21 years of age if the service is medically necessary health care to correct or ameliorate a defect, physical or mental illness, or a condition [health problem] identified through a screening examination (including any evaluation by a physician or other licensed clinician).

This means that EPSDT covers most of the medical or remedial care a child needs to

- improve or maintain his or her health in the best condition possible OR
- compensate for a health problem OR
- prevent it from worsening OR
- prevent the development of additional health problems

Medically necessary services will be provided in the most economic mode possible, as long as the treatment made available is similarly efficacious to the service requested by the recipient's physician, therapist, or other licensed practitioner; the determination process does not delay the delivery of the needed service; and the determination does not limit the recipient's right to a free choice of providers.

EPSDT does not require the state Medicaid agency to provide any service, product, or procedure that is unsafe, ineffective, experimental, or investigational; that is not medical in nature; or that is not generally recognized as an accepted method of medical practice or treatment.

If the service, product, or procedure requires prior approval, the fact that the recipient is under 21 years of age does **not** eliminate the requirement for prior approval.

For important additional information about EPSDT, please visit the following websites:

- <http://www.ncdhhs.gov/dma/basicmed/> (especially sections 2 and 6)
- <http://www.ncdhhs.gov/dma/healthcheck/>
- <http://www.ncdhhs.gov/dma/epsdt/>

The Controlled Substances Reporting System -- The State's Newest Tool to Make Prescribing Opioids and Other Controlled Substances Safer and Easier

In July 2007, the N.C. Department of Health and Human Services began operating the State's first prescription monitoring program, called the Controlled Substances Reporting System (CSRS). The CSRS is a centralized outpatient database to "improve the State's ability to identify controlled substance abusers or misusers and refer them for treatment, and to identify and stop diversion of prescription drugs in an efficient and cost effective manner that will not impede the appropriate medical utilization of controlled substances." By N.C. law (Article 5E. North Carolina Controlled Substances Reporting System Act § 90-113.70-76), all outpatient dispensers of controlled substances in North Carolina are *required* to report data to the CSRS. These data are a subset of the standard data routinely collected by most third-party vendors who provide payment reimbursement services to pharmacies and the specific information that must be reported on each prescription is established by law.

Medicaid and other medical providers who are practitioners with a current DEA registration and licensed pharmacists may easily apply for access to the CSRS by completing a short enrollment application available on the CSRS website:

<http://www.dhhs.state.nc.us/MHDDSAS/controlledsubstance/index.htm>. The CSRS link is also available on the DMA Outpatient Pharmacy website under "Related Sites"

(<http://www.ncdhhs.gov/dma/pharmacy/index.htm>). Because the CSRS prescription profile documents what and how many prescriptions for controlled substances have been dispensed to a patient, providers and pharmacists now have an additional tool by which to decide whether or not to write or refill a prescription. Running a CSRS profile should be seen as a universal precaution when prescribing any controlled substance. Because of the strict confidentiality provisions in the CSRS Act, it is important to note that only the registered practitioner may access the system. Unless the current Act is changed (revised legislation is pending in the 2009 legislature), it will continue to be unlawful to discuss CSRS findings with anyone (including other practitioners), except the patient.

Additional information on the CSRS is available by calling John Womble or William Bronson at the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (MHDDSAS), Drug Control Unit, (telephone 919-733-1765, Monday through Friday between 9 a.m. and 5 p.m.).

Prescription Origin Code

As a reminder, effective August 1, 2009, the use of NCPDP field 419-DJ (prescription origin code) will become mandatory for the N.C. Medicaid Outpatient Pharmacy Program. This field indicates the origin of the prescription. The following standard values will be accepted in this field:

- 1=Written
- 2=Telephone
- 3=Electronic
- 4=Facsimile

Zero and null values will not be accepted. **This requirement will apply only to new prescriptions, not to refills.** The information entered into the prescription origin code field is required to assist with auditing processes.

Insulin Syringes

Effective date of service July 17, 2009, insulin syringes will be covered as an over-the-counter product in the N.C. Medicaid Outpatient Pharmacy Program. Recipients must have a prescription for the insulin syringes and there must be an insulin prescription on file within the last 90 days in order to bill using the pharmacy point-of-sale system. Syringes are supplies that must be billed in multiples of 10 and a National Drug Code (NDC) must be used when billing through point-of-sale. Rates apply to syringes; therefore, no co-payments or dispensing fees apply. Medicare Part D continues to cover insulin syringes for dual eligible recipients.

Syringes do not have to be purchased at the same pharmacy as the insulin unless the patient is locked into a pharmacy. Recipients identified for the Focused Risk Management (FORM) Program who require more than 11 unduplicated prescriptions each month are restricted to a single pharmacy. In these cases, the insulin syringes must be purchased at the same pharmacy.

Insulin syringes will no longer require authorization by a recipient's CCNC/CA primary care provider **as long as they are billed using the pharmacy point-of-sale (POS) system.** Lancets and strips **will not** be paid through POS. These items will continue to require authorization by a recipient's CCNC/CA primary care provider.

Federal MAC List Changes

Effective July 17, 2009, the following changes will be made to the Medicaid Drug Federal Upper Limit list:

FUL Deletions

Generic Name

Meclizine

25 mg, Tablet, Oral, 100

FUL Decreases

Generic Name

Atenolol

25 mg, Tablet, Oral, 100

50 mg, Tablet, Oral, 100

100 mg, Tablet, Oral, 100

FUL Price

\$ 0.0459 B

\$ 0.0500 B

\$ 0.0690 B

FUL Decreases (cont.)

<u>Generic Name</u>	<u>FUL Price</u>
Cefadroxil/Cedadroxil Hemihydrate 500 mg, Capsule, Oral, 50	\$ 0.7830 B
Clindamycin Hydrochloride EQ 150 mg Base, Capsule, Oral, 100	\$ 0.2153 R
EQ 300 mg Base, Capsule, Oral, 100	\$ 1.1975 R
Dicyclomine Hydrochloride 10 mg, Capsule, Oral, 100	\$ 0.0885 R
20 mg, Tablet, Oral, 100	\$ 0.0405 M
Gabapentin 600 mg, Tablet, Oral, 100	\$ 0.9738 B
800 mg, Tablet, Oral, 100	\$ 1.1756 B
Gemfibrozil 600 mg, Tablet, Oral, 500	\$ 0.1350 B
Halobetasol Propionate 0.05%, Cream, Topical, 50	\$ 0.4800 B
0.05%, Ointment, Topical, 50	\$ 0.5325 B
Hydroxychloroquine Sulfate 200 mg, Tablet, Oral, 100	\$ 0.2250 B
Lisinopril; Hydrochlorothiazide 10 mg; 12.5 mg, Tablet, Oral, 100	\$ 0.2097 R
20 mg; 12.5 mg, Tablet, Oral, 100	\$ 0.2199 R
20 mg; 25 mg, Tablet, Oral, 100	\$ 0.2225 R
Pravastatin Sodium 10 mg, Tablet, Oral, 90	\$ 0.2500 B
20 mg, Tablet, Oral, 90	\$ 0.2917 B
40 mg, Tablet, Oral, 90	\$ 0.3560 B

FUL Increases

<u>Generic Name</u>	<u>FUL Price</u>
Propranolol Hydrochloride 60 mg, Tablet, Oral, 100	\$ 1.2792 B

FUL Additions

<u>Generic Name</u>	<u>FUL Price</u>
Metformin Hydrochloride	
500 mg, Tablet, Extended Release, Oral, 100	\$ 0.1307 R
750 mg, Tablet, Extended Release, Oral, 100	\$ 0.3368 R
Topiramate	
25 mg, Tablet, Oral, 60	\$ 0.2420 R
50 mg, Tablet, Oral, 60	\$ 0.4815 R
100 mg, Tablet, Oral, 60	\$ 0.6593 R
200 mg, Tablet, Oral, 60	\$ 0.7718 R

Changes in Drug Rebate Manufacturers

The following changes have been made in manufacturers with Drug Rebate Agreements. They are listed by manufacturer's code, which are the first five digits of the NDC.

Additions

The following labelers have entered into Drug Rebate Agreements and have joined the rebate program effective on the dates indicated below:

<i>Code</i>	<i>Manufacturer</i>	<i>Date</i>
44183	Macoven Pharmaceuticals, LLC	05/30/2009
43386	Gavis Pharmaceuticals, LLC	06/09/2009

Terminated Labelers

The following labeler will be terminated from the Medicaid Drug Rebate Program effective October 1, 2009:

Armstrong Pharmaceuticals (Labeler 17270)

Voluntarily Terminated Labeler

The following labelers have requested voluntary termination effective October 1, 2009:

West-Ward Pharmaceutical Corp	(Labeler 00143)
Neurosci	(Labeler 14565)
Auriga Laboratories	(Labeler 14629)
Centurion Labs, LLC	(Labeler 23359)
Stesso Pharmaceuticals	(Labeler 33753)
Ocusoft	(Labeler 54799)
Amkas Laboratories Inc	(Labeler 61073)
Sirius Laboratories	(Labeler 65880)
Teamm Pharmaceuticals, Inc	(Labeler 67336)

Checkwrite Schedule

June 09, 2009	July 07, 2009	August 11, 2009
June 16, 2009	July 14, 2009	August 18, 2009
June 25, 2009	July 23, 2009	August 27, 2009
	August 04, 2009	

Electronic Cut-Off Schedule

June 04, 2009	July 02, 2009	August 06, 2009
June 11, 2009	July 09, 2009	August 13, 2009
June 18, 2009	July 16, 2009	August 20, 2009
	July 30, 2009	

Electronic claims must be transmitted and completed by 5:00 p.m. on the cut-off date to be included in the next checkwrite. Any claims transmitted after 5:00 p.m. will be processed on the second checkwrite following the transmission date. POS claims must be transmitted and completed by 12:00 midnight on the day of the electronic cut-off date to be included in the next checkwrite.

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