



An Information Service of the Division of Medical Assistance

**North Carolina
Medicaid Pharmacy
Newsletter**

Number 185

August 2010

In This Issue...

Deleted NDC's from CMS

Substitution for Duoneb and Insulin Cartridges and Pens

Substitution of Preferred Brand Drugs

Coverage of Over-The-Counter Second Generation Antihistamine and Decongestant Combinations

Point-of-Sale Overrides for Leukotrienes, Statins, Orally Inhaled Steroids, and Second Generation Anticonvulsants

Policies on Emend, Leukotrienes, Lidoderm, Orally Inhaled Corticosteroids, Statins and Suboxone; Revised Policies on CII Narcotic Analgesics and Second Generation Anticonvulsants

Changes in Drug Rebate Manufacturers

Deleted NDC's from CMS

The following products do not meet the definition of a covered outpatient drug and are not rebate-eligible. Therefore, these drugs will be deleted from the CMS Master Drug Rebate (MDR) file of covered drugs effective as of **August 4, 2010**.

NDC	Drug Name
00045034160	PANCREASE MT-4 EC CAPSULE
00045034260	PANCREASE MT-10 EC CAPSULE
00045034360	PANCREASE MT-16 EC CAPSULE
00045034660	PANCREASE MT-20 EC CAPSULE

Substitution for Duoneb and Insulin Cartridges and Pens

With the implementation of the N.C. Medicaid Preferred Drug List changes on September 15, 2010, Duoneb (combination ipratropium and albuterol nebulizer solution) and some insulin cartridges and pens will have a non-preferred status on the N.C. Medicaid Preferred Drug List. On June 15, 2010, the N.C. Board of Pharmacy agreed that pharmacists may

- 1) Substitute equivalent strength individual nebulizer dosage forms of albuterol sulfate and ipratropium bromide for Duoneb.
- 2) Substitute vial-packaged insulin products for cartridge, pen or similarly packaged insulin products.

The pharmacist will not be required to obtain a new prescription in these circumstances when substitution is allowed. The Board reminded pharmacists that patient counseling and education on appropriate usage is very important. A copy of the June 15, 2010, N.C. Board of Pharmacy communication can be found on the DMA website at <http://www.ncdhhs.gov/dma/pharmacy>.

Substitution of Preferred Brand Drugs

N.C. General Assembly Session Law 2010-31, Section 10.58. (d)(28) allows the Secretary of Health and Human Services to prevent substitution of a generic equivalent drug, including a generic equivalent that is on the State Maximum Allowable Cost (SMAC) list, when the net cost to the State of the brand-name drug, after consideration of all rebates, is less than the cost of the generic equivalent. Generic drugs are usually considered preferred. However, with the implementation of the next phase of the N.C. Medicaid Preferred Drug List, on September 15, 2010, the following four brand drugs will be considered preferred instead of their generic equivalents: Duragesic Patches, Hyzaar, Cozaar, BenzaClin.

N.C. Medicaid will remove the SMAC from these drugs when applicable. Prescribers will not need to write "medically necessary" on the face of the prescription for coverage of these drugs. Pharmacists will not need to enter a DAW "1" on the point-of-sale claims when dispensing these drugs.

Coverage of Over-The-Counter Second Generation Antihistamine and Decongestant Combinations

Effective with date of service September 15, 2010, the N.C. Medicaid Outpatient Pharmacy Program will begin coverage of over-the-counter (OTC) second generation antihistamine and decongestant combination products. Products included are cetirizine-D OTC, loratadine-D OTC 12 hour, and loratadine-D OTC 24 hour. With a valid prescription, a recipient may receive up to a 102-days supply per 12 months.

Point-of-Sale Overrides for Leukotrienes, Statins, Orally Inhaled Steroids, and Second Generation Anticonvulsants

With the implementation of the N.C. Medicaid Preferred Drug List changes on September 15, 2010, pharmacists will be able to override a point-of-sale message that prior authorization (PA) is required for leukotrienes, statins, orally inhaled steroids, and second generation anticonvulsants (for seizure disorders only). If the prescriber has indicated that the PA criteria have been met, by writing “Meets PA Criteria” on the face of the prescription in his or her own handwriting, the pharmacist will be able to override the PA edit for these drugs. **This information may also be entered in the comment block on e-prescriptions.**

If the prescribed drug in one of these drug classes has a generic version available, “medically necessary” must also be written on the face of the prescription in the prescriber’s own handwriting in order to dispense the brand name drug. A “1” in the PA field (461-EU) or a “2” in the submission clarification field (420-DK) will override the PA edit. These overrides will be monitored by Program Integrity.

Providers may also contact ACS at 1-866-246-8505 (telephone) or 1-866-246-8507 (fax) to request PA for these medications. The PA criteria and request form for these drug classes will be available early September 2010, on the N.C. Medicaid Enhanced Pharmacy Program website at <http://www.ncmedicaidpbm.com>. If the PA is approved by ACS, the POS override codes will not be needed.

Policies on Emend, Leukotrienes, Lidoderm, Orally Inhaled Corticosteroids, Statins and Suboxone; Revised Policies on CII Narcotic Analgesics and Second Generation Anticonvulsants

Six new prior authorization (PA) policies and two revised PA policies will be implemented with the N.C. Medicaid Preferred Drug List changes on September 15, 2010. The new PA policies are for Emend, leukotrienes, lidoderm, orally inhaled corticosteroids, statins, and Suboxone. Specific clinical criteria must be met before these drugs can be covered by N.C. Medicaid. In addition, two of the existing PA policies were revised. The revised PA policies are for schedule II narcotic analgesics and second generation anticonvulsants. These new and revised policies will be posted early September 2010 on the N.C. Medicaid Enhanced Pharmacy Program website at <http://www.ncmedicaidpbm.com/>

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.

Addition

The following labelers have entered into a Drug Rebate Agreement and have joined the rebate program effective on the date indicated below:

<i>Code</i>	<i>Manufacturer</i>	<i>Date</i>
30237	Dendreon Corporation	07/30/2010
43595	Labopharm Pharmaceuticals	07/28/2010
53270	Cangene Bio Pharma	08/18/2010

Checkwrite Schedule

August 03, 2010	September 08, 2010	October 05, 2010
August 10, 2010	September 14, 2010	October 13, 2010
August 17, 2010	September 23, 2010	October 19, 2010
August 26, 2010		October 28, 2010

Electronic Cut-Off Schedule

July 29, 2010	September 02, 2010	September 30, 2010
August 05, 2010	September 09, 2010	October 07, 2010
August 12, 2010	September 16, 2010	October 14, 2010
August 19, 2010		October 21, 2010

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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