

## Scoping Meeting – Medicaid Pharmacy; Summary Notes 21 Feb 2020

---

- **7 AAC 105.130** – Services requiring prior authorization (Pharmacy–related)
  - Alaska Medicaid Medication Prior Authorization list, update
  - Compounding, nonsterile preparations using API
  - Customized patient medication packaging (CPMP) for a member who does not meet the following conditions:
    - a recipient living in a congregate living home,
    - a recipient of home and community-based waiver services,
    - a recipient eligible for Medicaid under a category set out in 7 AAC 100.002(b) or (d) who is blind or disabled,
    - a recipient who is an adult experiencing a serious mental illness as described in 7 AAC 135.055, or
    - a recipient who is a child experiencing a severe emotional disturbance as described in 7 AAC 135.065.
- **7 AAC 105.200** – Eligible Medicaid providers (Pharmacy–related)
  - Update subsection (a)(1)(F) to make phrase conjunctive and change “retail” to “non-institutional”
- **7 AAC 105.610** – Cost sharing
  - Cost sharing shall be waived for
    - nicotine cessation products
    - opioid reversal agents
    - **[Note: Vaccines are not covered outpatient drugs under federal regulation and do not require cost-sharing]**
  - Cost sharing for CPMP shall be assessed once monthly per unique medication
  - Cost sharing for approved 90-day maintenance medications shall be one-half the 30-day cost sharing value
- **7 AAC 120.100** – Provider requirements (Pharmacy–related)
  - Pharmacist enrollment as rendering provider [[refer to §§145.410 for proposed services](#)]
  - Licensed pharmacist enrolling with Alaska Medicaid for the purposes of billing for services must be directly affiliated with a billing provider, either an enrolled pharmacy or clinic (e.g., health professional group, FQHC, etc.).
  - Reimbursement of services to organization (i.e., pharmacy, clinic, etc.)
- **7 AAC 120.110** – Covered outpatient drugs and home infusion therapy
  - Clean-up language to include FDA-approved drugs with a biologics license application
  - Approved list of select active pharmaceutical ingredients (API) for pharmaceutical compounding (nonsterile preparations) purposes [12 AAC 52.440, USP<795>]

[**Question:** *Does the section referencing pharmacists and collaborative practice for vaccines need to be removed?* The Department will still pay for a vaccine administered via a collaborative practice if a pharmacist chose not to individually enroll with Alaska Medicaid. The presence of this provision does not prohibit the department from paying for vaccines, consistent with 7 AAC 110.405(b), prescribed and administered by a pharmacist who is individually enrolled as a pharmacist with Alaska Medicaid and acting within professional scope of practice defined by Alaska Board of Pharmacy after the regulation effective date. See also Professional Services under §§145.410.]

- **7 AAC 120.112** – Non-covered drugs
  - No specific modifications
- **7 AAC 120.120** – Drug use review
  - SUPPORT Act reference
- **7 AAC 120.130** – Interim and final prior authorization medication lists and limitations on prescribed drugs
  - Opioid management
    - Days supply consistent with professional board standards
    - MME limitations
- **7 AAC 120.140** – Preferred drug list
  - Non-preferred on the Alaska Medicaid Preferred Drug Lists may be dispensed by a 340B pharmacy if
    - the non-preferred dispensed drug is the reference listed drug of a preferred drug and
    - the non-preferred dispensed drug was purchased through the 340B program and
    - the acquisition cost of the dispensed drug is less than the preferred equivalent product
- **7 AAC 145.400** – Covered outpatient drug payment rates and home infusion therapy drug rates
  - Reimbursement consistent with federal Covered Outpatient Drug Rule
    - Actual acquisition cost + professional dispensing fee
  - Provision for reimbursement less than actual acquisition cost
    - Additional auditing shall apply [**Note:** *The Department encourages comments on recommended processes*]
  - High cost drugs
    - Out-of-State Specialty pharmacies, volume > 54,500, WAC-2%
    - Submitted ingredient cost > \$5,000, WAC

[**Question:** *Will the out-of-state pricing apply to in-state pharmacies?* No, the “WAC-2%” provision is specific to out-of-state specialty pharmacies. For in-state pharmacies, the provision of reimbursing at “WAC” with no additional percentage mark-up for drugs submitted with a submitted ingredient cost greater than \$5,000 would apply. For situations when the pharmacy’s acquisition cost is less than reimbursement, the pharmacy would be able to request payment at the actual acquisition cost.]

- Clinic administered medications
  - Wholesale acquisition cost (WAC), Medicare Payment Allowance Limit (PAL; ASP+6%)
  - 340B drugs; lesser of submitted, WAC-15%, PAL
- **7 AAC 145.410** – Dispensing fee
  - Place of Service
    - Pharmacies dispensing patient-specific medications to clinics must
      - Submit “11” in the Place of Service field.
      - Submit a valid diagnosis and diagnosis code qualifier on claims submitted with a Place of Service = “11”.
      - Reverse claims for medications dispensed to clinics but never administered to the patient.
    - Clinics may not
      - Bill separately for the cost of pharmacy dispensed medications.
      - Administer a medication billed under one patient to a different patient.
    - [http://manuals.medicaidalaska.com/docs/dnld/Update Pharmacy Program Updates 2019 July.pdf](http://manuals.medicaidalaska.com/docs/dnld/Update_Pharmacy_Program_Updates_2019_July.pdf)
  - [42 CFR 447.502](#) – Professional dispensing fee

Current	Option 1	Option 2	Alternate
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> On-Road	<input type="checkbox"/> Chain	<input type="checkbox"/> Rx Vol [0 – 32,999]	<input type="checkbox"/>
<input type="checkbox"/> Off-Road	<input type="checkbox"/> Independent	<input type="checkbox"/> Rx Vol [33,000 – 59,499]	<input type="checkbox"/>
<input type="checkbox"/> <u>Medset<sup>®</sup></u>	<input type="checkbox"/> <u>CPMP<sup>®</sup></u>	<input type="checkbox"/> Rx Vol [59,500+]	<input type="checkbox"/>
	<input type="checkbox"/> I/T/U [42 CFR 447.518(a)(1)(iii)]	<input type="checkbox"/> <u>CPMP<sup>®</sup></u>	
		<input type="checkbox"/> I/T/U [42 CFR 447.518(a)(1)(iii)]	

<ul style="list-style-type: none"> <li>• No rebasing</li> </ul>	<ul style="list-style-type: none"> <li>• Rebasing               <ul style="list-style-type: none"> <li>• 5-year survey validation</li> <li>• Options                   <ul style="list-style-type: none"> <li>• Volume based, annually SFY</li> <li>• CPI-U, medical, adjustment, annually SFY</li> <li>• Petition, once per SFY</li> </ul> </li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Add-on fees               <ul style="list-style-type: none"> <li>• Tobacco cessation</li> <li>• Vaccine administration fee</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• 90-day fill incentive add-on</li> <li>• Compounding fee</li> <li>• Administration fee – e.g., vaccines, other drugs explicit within license scope</li> <li>• Professional service add-on               <ul style="list-style-type: none"> <li>• Medication Therapy Management                   <ul style="list-style-type: none"> <li>• Interventional MTM</li> <li>• CPMP Management</li> </ul> </li> <li>• Tobacco cessation</li> </ul> </li> </ul>

[Note: the Department is encouraging comments on the structuring of the professional dispensing fee and related considerations. The CPMP (Customized Patient Medication Packaging; 12 AAC 52.520) dispense fee will not be restricted to long-term care pharmacies, but will be subject to prior authorization criteria.]

- Professional Services, additional  
[Clarification – Pharmacist Professional Services Reimbursement proposed]
  - Pharmacy-affiliated Pharmacists
    - Vaccine
    - Naloxone
    - Tobacco Cessation
    - MTM
    - CPMP
    - Compounding
  - Clinic-affiliated Pharmacists
    - Vaccine
    - Naloxone
    - Tobacco cessation
    - Transitional Care Management\*
    - E&M\*

[Note: the Department is encouraging comments on the additional services noted above and what, if any, additional certifications, credentialing, or CE that might apply.]

- Scope of practice – Pharmacist (not exhaustive)
  - Defined by state licensing board consistent with legislative authority and “practice of pharmacy” [AS 08.80.030, AS 08.80.480(30), AS 08.80.168]
    - 12 AAC 52.150 – Individual pharmacists working in tribal health programs
    - 12 AAC 52.210 – Pharmacist duties
    - 12 AAC 52.450 *et seq* – Pharmacy practice standards
    - 12 AAC 52.570 – Drug regimen review
    - 12 AAC 52.585 – Mandatory patient counseling
    - 12 AAC 52.985 – Emergency preparedness
    - 12 AAC 52.992 – Independent administration of vaccines and related emergency medications
    - 12 AAC 52.994 – Independent dispensing of opioid overdose drugs by pharmacists
    - 12 AAC 52.240(h) – Institutional drug therapy protocols and guidelines approved by medical staff governing board
    - 12 AAC 52.820 – Consultant pharmacist
  - Collaborative practice authority
    - 12 AAC 52.240 – Pharmacist collaborative practice authority
- **7 AAC 160.900** – Requirements adopted by reference (Pharmacy-related)
  - Medication Prior Authorization List
  - 90-Day Medication List
  - Specialty Drug List
  - MTM parameters

Written suggestions, ideas, and other input will be accepted until 5:00 p.m. AKST on February 28th, 2020.

Please send all submissions by email to [jolene.withers@alaska.gov](mailto:jolene.withers@alaska.gov) or by mail to Division of Health Care Services, Attention: Jolene Withers, 4501 Business Park Blvd., Building L, Anchorage, AK 99503-7167

Summary of today’s slides will be available on the public notice site and by request to Jolene Withers.