

Distribution: Community Mental Health Services Program 01-03
Dental 01-02
Family Planning 01-07
Federally Qualified Health Centers 01-02
Home Health 01-04
Hospice 01-01
Hospital 01-20
Long Term Care Facilities 01-06
Medicaid Health Plans 01-18
Pharmacy 01-07
Practitioners 01-11
Rural Health Centers 01-02
Vision 01-06

Issued: December 1, 2001

Subject: Prior Authorization Expansion and Requirements

Effective: January 2, 2002

Programs Affected: Medicaid Fee for Service Program, CSHCS Basic Health Plan, Refugee Assistance Program, and State Medical Program

On January 1, 2002, the Michigan Department of Community Health (MDCH) will expand prior authorization to selected pharmaceutical products for its beneficiaries in Programs funded in all or in part by State dollars, including, but not limited to, the Medicaid Fee for Service Program, the Children's Special Health Care Services Basic Health Plan, the Refugee Assistance Program, and the State Medical Program.

The Department will continue to publish the Michigan Pharmaceutical Product List (MPPL) that includes all drugs that are covered under the Program and will identify those drugs that require prior authorization.

In December 2001, prescribers will be provided with a separate list that identifies the new drugs that will require prior authorization.

CRITERIA FOR EXPANSION OF PRIOR AUTHORIZATION

The MDCH will identify specific therapeutic classes that contain pharmaceutical products with a wide range of cost and meet one or more of the following criteria:

- a) The drugs in the therapeutic class have minimal clinical differences,
- b) The drugs in the therapeutic class have same or similar drug actions,
- c) The drugs in the therapeutic class have same or similar outcomes, or
- d) There are multiple effective generics available.

Pharmaceutical products that meet the above criteria and are more costly may require prior authorization.

UPDATING AND MAINTENANCE OF THE MICHIGAN PHARMACEUTICAL PRODUCT LIST (MPPL)

New pharmaceutical products, changes in pharmaceutical treatment or products, and the cost of the products will be reviewed on a quarterly basis to assure continued access to pharmaceutical services at fair and reasonable prices. New pharmaceutical products that are unique and life saving will be reviewed on an expedited basis.

Providers will be given 30 days notice of changes through publication of the MPPL.

Changes to the MPPL are also posted on the Michigan Pharmacy Benefits Manager's web site address: www.Michigan.FHSC.com.

CLINICAL PRIOR AUTHORIZATION REQUESTS

Program policy requires **prescribers** to obtain prior authorization for a medical exception for Program coverage on pharmaceutical products identified on MPPL as requiring prior authorization.

Prescribers or their designees may call, fax, or write to Michigan's Pharmacy Benefits Manager's (PBM) Clinical Center for prior authorization. Michigan's PBM is currently First Health Services Corporation (FHSC).

FHSC Clinical Call Center: 1-877-864-9014
FHSC Fax#: 1-888-603-7696
FHSC Address: First Health Services Corporation
4300 Cox Road
Glen Allen, Virginia 23060

The Clinical Call Center is available 24 hours per day, 7 days per week, 365 days per year. The Call Center is fully staffed with pharmacy technicians and pharmacists from 8:00 a.m. to 10:00 p.m. and MDCH provides a physician on call. For hours after 10:00 p.m. and on weekends, a technician is available and a pharmacist and physician are on-call.

Prescribers should be prepared to provide the following information when requesting prior authorization:

- Beneficiary name, date of birth, and Medicaid identification number
- Beneficiary diagnosis and medical reason why a drug that does not require prior authorization cannot meet the beneficiary's clinical need

- Drug name, strength, and form
- Other pharmaceutical products previously prescribed and clinical outcome for the beneficiary
- Medical reason for therapeutic failure with the drug alternative
- MedWatch Form (when requested)

For these new prior authorized pharmaceutical products, prior authorization will be granted when the medical necessity is indicated by the physician and the reason /rationale falls within the following criteria:

1. A specific medical condition/necessity requires the prior authorized drug, such as drug allergy.
2. The beneficiary has used the prior authorized drug for several months and switching the drug at this time would be medically inadvisable.
3. The beneficiary has already tried the non-prior authorized drugs and had treatment failure or side effects.
4. The prior authorized drug works better in combination with other medications that the beneficiary uses, such as drug-drug or drug-disease interactions.

If for some reason the prescriber is unable to contact FHSC and the beneficiary requires an emergency medication, a 72-hour supply may be dispensed. The prescriber must call the Clinical Call Center to continue the beneficiary on the drug after 72 hours. Pharmacists may call the FHSC Technical Call Center at 1-877- 624-5204 for a 72-hour emergency override.


MANUAL MAINTENANCE

Pharmacies can discard this bulletin as the information has been included in the revised Pharmacy Manual, Chapter III, issued 12/1/01.

Other providers should retain this bulletin for future reference.

QUESTIONS

Any questions regarding this bulletin should be directed to: Provider Inquiry, Medical Services Administration, P.O. Box 30479, Lansing, Michigan 48909-7979, or e-mail at ProviderSupport@state.mi.us. When you submit an e-mail, be sure to include your name, affiliation, and a phone number so you may be contacted if necessary. Providers may phone toll free 1-800-292-2550.

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