REVISION DATES: 3/11/24; 5/31/23; 8/2/2019; 10/1/2018; 3/22/2018; 2/16/2018; 12/29/2017; 10/13/2015; 05/31/2012

Covered Services

Medically necessary, cost-effective, and federally and state reimbursable medications prescribed by an AHCCCS registered physician, physician's assistant, nurse practitioner, dentist, or other AHCCCS registered practitioner and dispensed by an AHCCCS registered licensed pharmacy are covered for members consistent with 9 A.A.C. 22 Article 2, 9 A.A.C. 28 Article 2, and 9 A.A.C. 31 Article 2 and for persons who have a diagnosis of Serious Mental Illness (SMI), pursuant to A.R.S. §36-550.

The AHCCCS Fee-for-Service (FFS) Acute/Long Term Care (LTC) Drug List and the AHCCCS FFS Over the Counter (OTC) / Dual Eligible Drug List contain federally and state reimbursable drugs and medications that are preferred in specific therapeutic drug classes. The AHCCCS FFS Drug Lists contain medications that are covered in accordance with the AHCCCS Medical Policy Manual Policy 310-V Prescription Medications / Pharmacy Services, which include preferred drugs and procedures for requests for non-preferred agents.

The AHCCCS FFS Drug Lists are not all-inclusive lists of medications for AHCCCS members. Drug coverage includes all medically necessary, clinically appropriate, and cost-effective medications that are federally and state reimbursable, whether or not these medications are included on these lists. Medications not listed are available through the prior authorization process.

Questions regarding pharmacy benefits and services may be directed to the AHCCCS Pharmacy Department's email at AHCCCSPharmacyDept@azahcccs.gov

Specific Parameters of the AHCCCS Pharmacy Benefit

The AHCCCS Pharmacy Program and its Pharmacy Benefit Manager (PBM):

1. Shall utilize a mandatory generic drug substitution policy unless AHCCCS has required the use of a brand name medication. The substitution of a generic drug in place of a brand name drug is required if the generic drug is available and contains the same active ingredient(s) and both products, the brand name and generic, are chemically identical in strength, dosage form and route of administration. Generic substitutions shall adhere to Arizona State Board of Pharmacy rules and regulations.

Exceptions to this policy include:

a. Members intolerant to a generic medication. The prescribing clinician shall submit a prior authorization request, providing clinical justification for the brand name medication, to the contracted PBM; and

b. AHCCCS has determined that the brand name medication is less costly to the program.

2. May utilize step therapy to ensure that the most clinically appropriate cost-effective drug is prescribed and tried by the member prior to prescribing a more costly clinically appropriate medication.

   Exceptions to this requirement include members enrolled in an AHCCCS Contractor, who have been stabilized on a medication and are transitioning from a T/RBHA to a PCP or to a PCP from a T/RBHA for their behavioral health needs. The medication, prescribed by the transferring clinician, must be clinically appropriate and continued at the point of transition.

3. May utilize prior authorization to ensure clinically appropriate medication use. Requests submitted for prior authorization of a medication must be evaluated for clinical appropriateness based on the strength of the scientific evidence and standards of practice that include, but are not limited to, the following:

   a. Food and Drug Administration (FDA) approved indications and limits;
   b. Published practice guidelines and treatment protocols;
   c. Comparative data evaluating the efficacy, type and frequency of side effects, and potential drug interactions among alternative products as well as the risks, benefits and potential member outcomes;
   d. Member adherence impact;
   e. Drug Facts and Comparisons;
   f. American Hospital Formulary Service Drug Information;
   g. United States Pharmacopieia;
   h. DRUGDEX Information System;
   i. UpToDate;
   j. MicroMedex;
   k. Peer reviewed medical literature, including randomized clinical trials, outcomes, research data and pharmacoeconomic studies; and
   l. Other reference sources.

All federally and state reimbursable drugs that are not listed on the AHCCCS FFS Drug Lists shall be available through the prior authorization process.

Prescribers may submit a prior authorization request to the AHCCCS FFS PBM, OptumRx, for review and coverage determination. The Prior Authorization Form can be found in:

- The FFS Provider Billing Manual as Exhibit 12-1 under the Pharmacy Services chapter.
- The IHS/Tribal Provider Billing Manual as Exhibit 10-1 under the Pharmacy Services chapter.

The Prior Authorization Form is also available on the AHCCCS website under the Pharmacy Section.

4. May cover an Over-The-Counter medication when it is prescribed in place of a covered prescription medication that is clinically appropriate, equally safe and effective, and less costly than the covered prescription medication.

5. Requires federally and state reimbursable drugs dispensed by an IHS/638 facility pharmacy to be submitted to the AHCCCS FFS PBM, OptumRx, for claims adjudication for reimbursement of the AIR and Specialty Medications.

AHCCCS Pharmacy Benefit Exclusions

The following are excluded from coverage under the outpatient FFS pharmacy benefit:

1. DESI Drugs that are determined to be “less than fully effective” by the Food and Drug Administration;
2. Medications that are personally dispensed by a physician, dentist, or other provider except in geographically remote areas where there is no participating pharmacy or when accessible pharmacies are closed.
3. Experimental/Research Drugs;
4. Medications furnished solely for cosmetic purposes;
5. Cosmetic Drugs for Hair Growth;
6. Nutritional/Diet Supplements;
7. Blood and Blood Plasma Products;
8. Drugs and Products to Promote Fertility;
9. Drugs used for Erectile Dysfunction Drugs unless;
   a. The medication is prescribed to treat a condition other than a sexual or erectile dysfunction, and
   b. The FDA has approved the medication for the specific condition.
10. Drugs from manufacturers that do not participate in the FFS Medicaid Drug Rebate Program;
11. Diagnostic /Medical Supplies except:
    a. Syringes

b. Needles
c. Lancets
d. Alcohol Swabs
e. Blood Glucose Meters and Test Strips
f. Inhaler Devices

12. Intrauterine Devices;
13. Medications used for weight loss treatment;
14. Outpatient medications for members under the Federal Emergency Services Program, except for dialysis related medications for Extended Services individuals;
15. Medical Marijuana (refer to AMPM Policy 320-M); and
16. Drugs eligible for coverage under Medicare Part D for AHCCCS members eligible for Medicare whether or not the member obtains Medicare Part D coverage with the exception of Dual Eligible members that have creditable coverage and/or individuals with an SMI designation.
17. Medications determined to be experimental as defined by the A.A.C. § 9-22-203 Experimental Services.

Prescription Drug Coverage, Billing Limitations and Prescription Delivery

1. A new prescription or refill prescription in excess of a 30-day supply is not covered unless:
   a. The medication is prescribed for chronic illness and the prescription is limited to no more than a 90-day supply;
   b. The member will be out of the provider's service area for an extended period of time and the prescription is limited to the extended time period, not to exceed 90 days; or
   c. The medication is prescribed for contraception and the prescription is limited to no more than a 90-day supply.

2. Prescription drugs for covered transplantation services will be provided in accordance with AHCCCS transplantation policies as outlined in AMPM 310-DD.

3. AHCCCS may cover the following for persons diagnosed with SMI and AHCCCS members who are eligible to receive Medicare:
   a. Over The Counter medications that are not covered as part of the Medicare Part D prescription drug program and the drug is prescribed in place of a covered prescription medication that is clinically appropriate, equally safe and effective, and less costly than the covered prescription medication; and

b. A drug that is excluded from coverage under Medicare Part D by Centers for Medicare and Medicaid Services (CMS) and the drug is medically necessary, and federally and state reimbursable, and
c. Cost sharing for medications to treat behavioral health conditions for individuals with an SMI designation. Refer to AMPM Policy 320-T1 and AMPM Policy 320-T2.

4. Drugs personally dispensed by a physician or dentist, or other authorized prescriber are not covered. Exceptions may be granted upon application and approval by AHCCCS for registration as a pharmacy provider in geographically remote areas where there is no participating pharmacy.
5. Pharmacies shall not charge a member the cash price for a prescription, other than an applicable copayment, when the medication is federally and state reimbursable and the prescription is ordered by an AHCCCS Registered Prescribing Clinician.
6. Pharmacies shall not split bill the cost of a prescription claim to AHCCCS or it Contractors' PBMs for an AHCCCS member. Contractors' PBMs Pharmacies shall not allow a member to pay cash for a partial prescription quantity for a federally and state reimbursable medication when the ordered drug is written by an AHCCCS Registered Prescribing Clinician.
7. Pharmacies are prohibited from auto-filling prescription medications.
8. Pharmacies shall not submit prescriptions claims for reimbursement in excess of the Usual & Customary Price (U&C) charged to the general public.
   a. The sum of charges for both the product cost and dispensing fee may not exceed a pharmacy's U&C Price for the same prescription, and
   b. The U&C submitted ingredient cost shall be the lowest amount accepted from any member of the general public who participates in the pharmacy provider's savings or discount programs including programs that require the member to enroll or pay a fee to join the program.
9. Pharmacies that purchase drugs at a Nominal Price outside of 340B or the Federal Supply Schedule (FSS) shall bill their Actual Acquisition Cost of the drug.
10. Pharmacies, at their discretion, may deliver or mail prescription medications to an AHCCCS member or to an AHCCCS registered provider's office for a specific AHCCCS member.

Prior Authorization Requirements for Long-Acting Opioid Medications

1. PA is required for all long-acting opioid prescription medications unless the

member's diagnosis is one the following:

a. Active oncology diagnosis with neoplasm related pain.
b. Hospice care, or
c. End of life care (other than hospice).

The prescriber shall obtain approval or an exception for all long-acting opioid prescription medications from the AHCCCS FFS PBM.

5-Day Supply Limit of Prescription Short-Acting Opioid Medications

1. **Members under 18 years of age**
   a. Except as otherwise specified in (b) of this Section, *Conditions and Care Exclusion from the 5-day Supply Limitation*, a prescriber shall limit the **initial and refill** prescriptions for any short-acting opioid medication for a member under 18 years of age to no more than a 5-day supply,
   An **initial** prescription for a short-acting opioid medication is one in which the member has not previously filled any prescription for a short-acting opioid medication within 60 days of the date of the pharmacy filling the current prescription as evidenced by the member's PBM prescription profile,
   b. Conditions and Care Exclusion from the 5-day Supply Limitation:
      i. The **initial and refill** prescription 5-day supply limitation for short-acting opioid medications *does not* apply to prescriptions for the following conditions and care instances:
         1) Active oncology diagnosis,
         2) Hospice care,
         3) End-of-life care (other than hospice),
         4) Palliative Care,
         5) Children on an opioid wean at the time of hospital discharge,
         6) Skilled nursing facility care,
         7) Traumatic injury, excluding post-surgical procedures, and
         8) Chronic conditions for which the provider has received PA approval through the Contractor.
      ii. The **initial** prescription 5-day supply limitation for short-acting opioid medications does not apply to prescriptions for post-surgical procedures. However, initial prescriptions for short-acting opioid medications for post-surgical procedures are limited to a supply of no more than 14 days. Refill prescriptions for short-acting opioid medications for post-surgical procedures are limited to no more than a 5-day supply.

For additional information on the exclusions, refer to AMPM 310-V Attachment B.

For additional information on the traumatic injury ICD-10 codes, refer to AMPM 310-V Attachment C.

2. **Members 18 years of age and older**
   a. Except as otherwise specified in Section G(2)(b), *Conditions and Care Exclusion from the 5-day Supply Limitation*, a prescriber shall limit the **initial** prescription for any short-acting opioid medication for a member 18 years of age and older to no more than a 5-day supply.

      An **initial** prescription for a short-acting opioid medication is one in which the member has not previously filled any prescription for a short-acting opioid medication within 60 days of the date of the pharmacy filling the current prescription as evidenced by the member's PBM prescription profile,

   b. Conditions and Care Exclusion from the 5-day Initial Supply Limitation. The **initial** prescription 5-day supply limitation for short-acting opioid medications *does not* apply to prescriptions for the following conditions and care instances:
      i. Active oncology diagnosis,
      ii. Hospice Care,
      iii. Palliative Care,
      iv. Skilled nursing facility care,
      v. Traumatic injury, excluding post-surgical procedures,
      vi. Post-surgical procedures, and
      vii. The medication is for substance use disorder treatment.
      viii.

      Initial prescriptions for short-acting opioid medications for post-surgical procedures are limited to a supply of no more than 14 days.

      For additional information on the exclusions, refer to AMPM 310-V Attachment B.

      For additional information on the traumatic injury ICD-10 codes, refer to AMPM 310-V Attachment C.

Additional Federal Opioid Legislation (Support Act P.L. 115-271) Monitoring Requirements

AHCCCS and the AHCCCS PBM shall implement automated processes to monitor the following:

- Opioid safety edits at the Point-of-Sale including but not limited to the following:
  - Days' supply limits for opioid naïve members:
  - Quantity limits;

- Therapeutic duplication limitations; and
- Early fill limitations.

- Opioid naïve members prescribed an opioid, and the Morphine Equivalent Daily Dose is 50 or greater.

- Member utilization when the cumulative current utilization of opioid(s) is a Morphine Daily Equivalent Dose of greater than 90;

- Members with concurrent use of an opiod(s) in conjunction with benzodiazepine(s) and/or an antipsychotic(s).

- Members are prescribed an opioid after being prescribed drugs used for MAT or an OUD diagnosis.

- Antipsychotic prescribing for children; and

- Fraud, Waste and Abuse by enrolled members, pharmacies and prescribing clinicians.

- Prospective and retrospective opioid reviews.
- Controlled substances as specified in A.R.S. § 32-3248.01,
    - A health care professional may write for a prescription that is more than 90 MME per day if the prescription is:
        - A continuation of a prior prescription order issued within the previous 60 days,
        - An opioid with a maximum approved total daily dose in the labeling as approved by the U.S. Food and Drug Administration (FDA),
        - For a patient who has an active oncology diagnosis or a traumatic injury,
        - Receiving opioid treatment for perioperative surgical pain,
        - For a patient who is hospitalized,
        - For a patient who is receiving hospice care, end-of-life care, palliative care, skilled nursing facility care or treatment for burns; or
        - For a patient who is receiving MAT for a substance use disorder, and
        - For intractable pain or chronic intractable pain.
    - For additional information refer to the Arizona Opioid Epidemic Act.

Naloxone

Naloxone is a prescription medication that reverses the effects of an opioid overdose. AHCCCS FFS covers and considers Naloxone an essential prescription

medication to reduce the risk and prevent an opioid overdose death. AHCCCS requires a prescription, ordered by an AHCCCS registered provider, to be on file at the pharmacy when Naloxone is dispensed to or for a specific AHCCCS member.

1. A Standing Order written by the Director of the Arizona Department of Health Services is on file at all Arizona pharmacies.

2. Eligible candidates that may obtain Naloxone include but are not limited to:
   a) Members:
      i. Using illicit or non-prescription opioids with a history of such use;
      ii. With a history of opioid misuse, intoxication, and/or a recipient of emergency medical care for acute opioid poisoning;
      iii. Prescribed high dose opioid prescriptions of 90 MEDD or less if there are other risk factors;
      iv. Prescribed an opioid with a known or suspected concurrent alcohol use,
      v. From opioid detoxification and mandatory abstinence programs;
      vi. Treated with methadone for addiction or pain;
      vii. With an opioid addiction and smoking/COPD or other respiratory illness or obstruction;
      viii. Prescribed opioids who also have renal, hepatic, cardiac or HIV/AIDs disease;
      ix. Who may have difficulty accessing emergency services; and/or
      x. Assigned to a pharmacy and or prescribing clinician.
   b) Persons who voluntarily request Naloxone and are the family member or friend of a member at risk of experiencing an opioid related overdose, and
   c) Persons who voluntarily request Naloxone and are in the position to assist a member at risk of experiencing an opioid related overdose.

3. Every member or member's representative shall be educated on the use of Naloxone by the pharmacist dispensing the medication in accordance with Arizona State Board of Pharmacy Regulations.

4. Naloxone is contraindicated for members with a known history of hypersensitivity to Naloxone or any of its ingredients.

AHCCCS Pharmacy Benefit Manager (PBM)

IHS/638 pharmacies shall submit all Fee-for-Service and KidsCare prescription claims electronically at the point-of-sale to the AHCCCS FFS PBM, OptumRx.

All prescription claims for the AIR and Specialty Medication Plans shall be submitted at the pharmacy's Actual Acquisition Cost (AAC).

For AIR and Specialty Medication claims, the submitted ingredient cost (AAC) must be

submitted using the BIN: 001553 and the PCN: AIRAZM.

If the claim's AAC is greater than the AIR, the pharmacy staff must also submit the clarification code of 09 when adjudicating the claim with the FFS PBM.

Claims submitted with the "09" clarification code will be reimbursed at the following lesser of logic:

AAC or Wholesale Acquisition Cost (WAC) plus a Professional Dispensing Fee.

Claims submitted for KidsCare must use the BIN: 001553 and the PCN:AZM.

Please refer to the Contractor Pharmacy Grid for additional claims submission information.

Reimbursement shall be in accordance with the contract between the PBM and the IHS/638 Pharmacy.

The OptumRx Help Desk is available 24 hours per day and 365 days per year. For information or assistance with prescription claims, prior authorization, contracted network pharmacies, or the AHCCCS FFS Drug List, please contact the OptumRx Customer Service Help Desk at (855) 577-6310.

The OptumRx Prior Authorization Department's hours of operation are:

Monday through Friday: 7:00 AM – 6:00 PM Central Standard Time
Saturday: 8:00 AM – 4:30 PM Central Standard Time

For assistance with online claim submissions, contact the OptumRx Customer Service Help Desk at 855-577-6310.

Some medications on the AHCCCS Drug List require prior authorization approval from OptumRx. If a prescription claim rejects at the point-of-sale for "NDC Not Covered" or "Prior Authorization Required," the pharmacist should contact the prescribing clinician to request an alternative on the AHCCCS FFS Drug List. If there is not an available alternative medication, the pharmacist should inform the prescriber that a prior authorization request for the medication must be submitted to the PBM for review.

- All prior authorization requests must be submitted by the prescribing clinician to OptumRx.
- The OptumRx PA Request Form (See Exhibit 12-1) is to be faxed to **866-463-4838**.
- Prior Authorizations may be faxed 24 hours per day, 7 days per week, and 365 days per year.

KidsCare prescription claims shall be submitted to OptumRx for claims adjudication.

After Hours PBM Instructions

After 5:00 p.m. on weekdays, on weekends, and holidays, please contact the OptumRx Customer Service Desk, at (855) 577-6310 for an override if the medication is for:

- A hospital discharge,
- Members transitioning from one level of care to another,
- Urgent care or emergency room prescriptions, and/or
- Other emergent situations.

Return of and Credit for Unused Medications

The AHCCCS FFS Program and its Contractors shall require the return of unused medications to the outpatient pharmacy from nursing facilities (NFs) upon the discontinuance of prescriptions due to the transfer, discharge or death of a Medicaid member. A payment credit shall be issued for unused prescription medications by the outpatient pharmacy to the AHCCCS FFS PBM. The pharmacy may charge a reasonable restocking fee as agreed upon with the AHCCCS FFS Program and/or its PBM.

The return of unused prescription medication shall be in accordance with Federal and State laws. Arizona Administrative Code (A.A.C. R4-23-409) allows for this type of return and the redistribution of medications under certain circumstances.

Documentation shall be maintained and shall include the quantity of medication dispensed and utilized by the member. A credit must be issued to AHCCCS FFS when the unused medication is returned to the pharmacy for redistribution.

Medications, that are not picked up at the pharmacy within 15 days of the date of service, shall be returned to stock and electronically credited back to AHCCCS through the claims adjudication process with the FFS PBM.

Discarded Physician-Administered Medications

The discarded portion of federally and state reimbursable physician administered drugs that are Unit-Dose or Unit-of-Use designated products in MediSpan or First DataBank may be billed to AHCCCS and its Contractors.

Repackaged medications are not federally and state reimbursable. AHCCCS and it's Contractors shall not reimburse Unit-of-Use or Unit Dose repackaged drugs. The actual amount used and/or the discarded portion shall not be billed to AHCCCS or its Contractors for reimbursement.

For multidose products providers shall only bill for the actual amount of drug that was used

and AHCCCS and its Contractors shall only reimburse the actual amount of used drug.

Prior Authorization Protocol for Smoking Cessation Aids

AHCCCS has established a prior authorization criterion for tobacco cessation aids. Refer to the AHCCCS Medical Policy Manual (AMPM) Exhibit 300-1, for further information.

Vaccines and Emergency Medications Administered by Pharmacists to Individuals Three Years of Age and Older

AHCCCS covers vaccines and emergency medication without a prescription order when administered by a pharmacist or an intern or technician under the supervision of a pharmacist, at the pharmacy, who is currently licensed and certified by the Arizona State Board of Pharmacy consistent with the limitations of this Policy and state law A.R.S §32-1974 or for IHS and Tribal Pharmacies, the pharmacist is licensed in another state and certified to administer vaccines. Pharmacy interns and technicians must also be registered and certified to administer vaccines.

For purposes of this section “Emergency Medication” means emergency epinephrine and diphenhydramine. “Vaccines” are limited to AHCCCS covered vaccines for adults as noted in the AHCCCS Medical Policy Manual (AMPM) Policy 310-M, Immunizations.

IHS and 638 pharmacists, pharmacy interns and technicians under the supervision of a pharmacist, within their scope of practice, may only administer and bill the All Inclusive Rate (AIR) for influenza immunizations when the administration is to members at the pharmacy, who are three years of age and older.

IHS and 638 pharmacists and pharmacy interns under the supervision of a pharmacist, within their scope of practice, may administer AHCCCS covered immunizations to adult members.

IHS and 638 Pharmacies may bill the outpatient AIR one time which includes the cost and the administration of the vaccine, when administered by a pharmacist, intern, or technician.

The AIR claim, which covers the administration and the cost of the vaccine, counts as the one pharmacy AIR that can be billed per member per day per facility, and applies to medications and vaccines.

IHS and 638 pharmacies may bill the outpatient all-inclusive rate when the pharmacist and intern/technicians under the supervision of a pharmacist, administers an adult vaccine to a member at the pharmacy, as noted above. The claim shall only be submitted to the FFS PBM for the AIR claim’s adjudication.

i.e. A member goes to a pharmacy and has two prescriptions filled, and receives a vaccine

administered by the pharmacist. The facility shall not bill for any of these services. The pharmacy may bill **one AIR** for the two prescriptions and the cost and administration of the vaccine.

When billing for a vaccine or medication administered by pharmacists or interns, the facility may not submit a claim to AHCCCS for the administration of the vaccine in addition to the pharmacy billing the PBM for the cost of the vaccine/medication.

In addition to the requirements specified in A.R.S. § 32-1974, AHCCCS requires the following:

1. The pharmacy providing the vaccine must be an AHCCCS registered provider;
2. IHS and 638 Pharmacies must be registered with AHCCCS; and
3. The AHCCCS member receiving the vaccine must be age 19 years or older.

AHCCCS retains the discretion to determine the coverage of vaccines administered by pharmacists or interns and technicians under the supervision of a pharmacist and coverage is limited to the FFS PBM Network Pharmacies.

Billing for Pharmacy Services

Prescription medications may be reimbursed by the AHCCCS Administration or the Fee-For-Service (FFS) Pharmacy Benefit Manager (PBM), OptumRx, depending upon the member's enrollment and filling pharmacy and the date the prescription was filled.

For prescriptions filled on date of service 4/1/19 or after:

Program/ Member Type	Member Enrollment Type	Dispensing Pharmacy	Claims Shall Be Submitted To:	PBM BINs & PCNs	Clarification Claims Submission Code
Title XIX (All Inclusive Rate Plan)	AIHP, ACC, CHP, DDD or TRBHA	All IHS/638 Pharmacies	OptumRx	BIN: 001553 PCN: AIRAZM	None
Title XIX (Specialty Medication Plan)	AIHP, ACC, CHP, DDD or TRBHA	All IHS/638 Pharmacies	OptumRx	BIN: 001553 PCN: AIRAZM	09

Title XXI (KidsCare)	AIHP & TRBHA	All IHS/638	OptumRx	BIN: 001553 PCN: AZM	02
Title XXI (KidsCare)	DDD	All IHS/638 Pharmacies	OptumRx	BIN: 001553 PCN: AZMDDD	02
Title XIX	AIHP & TRBHA & DDD	Non-IHS/638 OptumRx PBM Network Pharmacies	OptumRx	BIN: 001553 PCN: AZM	None
Title XXI (KidsCare)	AIHP & TRBHA & DDD	Non-IHS/638 OptumRx PBM Network Pharmacies	OptumRx	BIN: 001553 PCN: AZM	None
Title XIX	ACC Plans, CHP, DDD	ACC PBM Network Pharmacies	The ACC PBM (*See Note Below)	See ACC PBM for details	See ACC PBM for details
Title XXI (KidsCare)	ACC Plans, CHP	All IHS/638 Pharmacies & ACC PBM Network Pharmacies	The ACC's PBM (*See Note Below)	BINs and PCNs Vary by ACC Plan	None

*For a list of ACC Plans and their contracted PBMs, please click on the Policy tab on the AHCCCS Pharmacy Information webpage for the AHCCCS FFS and MCO Contractors BIN, PCN, and Group ID's memo.

The AIR may be billed for adults 19 years of age and older, when a prescription is filled at and dispensed by an IHS/638 facility pharmacy to the member. The AIR for prescription services may be billed once daily, per member, per facility pharmacy. The maximum number of AIRs that may be billed daily is 5 per facility per member and they must be for non-duplicative visits.

Example: A member is seen at an IHS 638 facility and has a dental visit, a PCP visit, and is prescribed 1 medication during the dental visit for pain and 2 medications during the PCP visit. All visits occur at the same IHS 638 facility. The member has all 3 prescriptions filled on the same day.

In this scenario three AIRs may be billed for reimbursement. One AIR may be billed for each of the following:

- The dental visit;
- The PCP visit; and
- All 3 prescriptions.

The claim submitted for the three prescriptions must include all 3 NDC codes.

All Inclusive Rate (AIR) Claims Billing Specifications for Title XIX AHCCCS Members

IHS/638 pharmacies billing prescription claims at the AIR, for medications and vaccines dispensed or administered at the pharmacy, shall submit all prescription claims to OptumRx for Title XIX members.

All Inclusive Rate Claims Billing for Title XIX Dual Eligible Members

Medicare Part D
AHCCCS and its Contractors are prohibited from using federal and state dollars to pay for any part of cost sharing for Medicare Part D claims.

The AIR may be billed for Dual Eligible members who are enrolled in AHCCCS under Title XIX and also eligible for Medicare, for prescription claims when:

a. The medication is listed on the AHCCCS FFS OTC / Dual Eligible Drug List;
b. The medication is excluded from coverage under Medicare Part D by CMS and the drug is medically necessary and federally and state reimbursable; and
c. Excluded medications will require prior authorization approval.

Medicare Part B
AHCCCS and its Contractors shall reimburse IHS/638 Tribal Pharmacies up to 20% of Medicare Part B reimbursement amount. All claims shall be submitted to the member's enrolled health plan's PBM. Claims for AHCCCS Fee-For-Service members shall be submitted to OptumRx for adjudication with the primary payment from Medicare.

The AIR shall not be reimbursed for:

a. Medications eligible for coverage under Medicare Part D.
b. Part B covered drugs, blood glucose meters, strips, lancets and other devices and syringes.
c. Medicare Part D drugs, devices, and syringes when the member is eligible for Medicare and the member has opted out of Medicare Part D.

For Medicare Part B, AHCCCS is the secondary payer for these claims and will reimburse up to 20 percent of the Medicare Part B payments. Pharmacies must be Medicare certified in order to bill Medicare.

Reimbursement shall not be provided for Medicare Part B when the member has opted out of Medicare Part B.

Over the Counter (OTC) Medications (Not Covered by Medicare Part D as the Primary Payer)

AHCCCS has a Dual Eligible Drug List of OTC products. Members eligible for or enrolled in Medicare are noted on the eligibility file sent to OptumRx. AHCCCS is the primary payer for the OTC products listed on the Dual Eligible Drug List and the claims shall be submitted to OptumRx for adjudication and reimbursement.

Claims for Title XXI KidsCare Members

Pharmacy claims for Title XXI (KidsCare) FFS members must be submitted to OptumRx, the FFS PBM, as described in this chapter. Pharmacy claims for Title XXI (KidsCare) MCO enrolled members must be submitted to the MCO's PBM.KidsCare claims are not eligible for reimbursement at the All Inclusive Rate.

Inpatient and In-Clinic Medications

Medications administered in clinics are not billable for the AIR.
Medications provided to members when they are an inpatient are included in the inpatient All Inclusive Rate, and are not billable as a separate AIR (for medications).

340B Reimbursement

A.R.S. §36-2930.03 requires:
1. 340B covered entities shall submit the Actual Acquisition Cost of the drug for AHCCCS Member point-of-sale prescription and physician-administered drug claims, that are identified on the 340B pricing file, whether or not the drugs are purchased under the 340B drug pricing program.

a. POS pharmacy claims shall be reimbursed at the lesser of:
   - The Actual Acquisition Cost, or
   - The 340B ceiling price, and
   - A Professional Fee (dispensing fee)

b. Physician administered drugs shall be reimbursed at the lesser of the Actual Acquisition Cost or the 340B ceiling price, and the Professional (dispensing) Fee is not reimbursed and is not permitted when a physician administered drug is administered by the prescribing clinician.

2. AHCCCS and its Contractors shall not reimburse 340B Contracted Pharmacies for drugs that are purchased, dispensed, or administered a part of or subject to the 340B Drug Pricing Program

3. Arizona 340B entity hospitals, and outpatient facilities owned and operated by a 340B entity hospital, are not exempt from the reimbursement methodology listed in Section P, 1 through 4 above. Effective with a future date to be determined, 340B hospitals and

outpatient facilities, owned and operated by a 340B hospital, shall be required to submit claims at the entity's actual acquisition cost.

4. IHS and 638 pharmacies may use drug purchased under the 340B program when the 340B cost is equal to or less than the AIR rate.

5. IHS and 638 pharmacies shall not use drugs purchased under the 340B program when the 340B drug cost is greater than the AIR rate.

A.A.C. R-9-22-710(C) describes the reimbursement methodology to be used by AHCCCS and its Contractors for Federally Qualified Health Center (FQHC) and FQHC Look-Alike Pharmacies for 340B drugs as well as reimbursement for Contract Pharmacies that have entered into a 340B drug purchasing arrangement with any 340B entity. The Rule also specifies reimbursement for FQHC and FQHC Look-Alike Pharmacies for drugs, which are not part of the 340B Drug Pricing program. The rule is located on the A.A.C. R9-22-709.

Behavioral Health Medication Coverage

For information about prescription medication coverage for behavioral health please refer to the AMPM 310-V, Prescription Medications-Pharmacy Services, Section C.

Informed Consent

Informed consent shall be obtained from the member or as applicable, the member's Health Care Decision Maker for each psychotropic medication prescribed. The comprehensive clinical record shall include documentation of the essential elements for obtaining informed consent. Essential elements for obtaining informed consent for medication are contained within AMPM 310-V Attachment A. The use of Attachment A is recommended as a tool to document informed consent for psychotropic medications. Additional information is contained in AMPM Policy 320-Q.

Youth Assent

Youth and Psychotropic Medications

Youth under the age of 18 are to be educated on options, allowed to provide input, and encouraged to assent to medication(s) being prescribed. Information is discussed with the youth in a clear and age-appropriate manner consistent with the developmental needs of the youth.

The information to be shared shall be consistent with the information shared in obtaining informed consent from adults.
Informed consent for a minor shall be obtained through the minor's authorized Health Care

Decision Maker unless the minor is emancipated.

Discussion of the youth's ability to give consent for medications at the age of 18 years old is begun no later than age 17½ years old, especially for youth who are not in the custody of their parents.

Special attention shall be given to the effect of medications on the reproductive status and pregnancy, as well as long term effects on weight, abnormal involuntary movements, and other health parameters.

Evidence of the youth's consent to continue medications after his/her 18th birthday may be documented through use of AMPM 310-V Attachment A.

Complementary and Alternative Medicine

Complementary and Alternative Medicine is not AHCCCS reimbursable.

Prescription Drug Counseling

AHCCCS requires pharmacies to provide counseling on prescription drugs prescribed to AHCCCS members in accordance with the State Board of Pharmacy counseling regulations.

In addition, and pursuant to Federal Statutory Requirement Section 1927(g)(2)(ii)(I) of the Social Security Act, the pharmacist is required to discuss with each Medicaid beneficiary or a caregiver, in person whenever practicable, or by toll-free telephone for long distance calls, matters which, in their professional judgment, the pharmacist deems significant. Such counseling is subject to standards for counseling that established under state law and is to be provided unless refused by the Medicaid beneficiary or caregiver.,

The statute lists the following subjects for inclusion in counseling:

1. The name and description of the medication,
2. Dosage form, dose, route of administration and duration of drug therapy,
3. Special directions and precautions for preparation, administration and use by the patient,
4. Common severe side or adverse effects or interactions and therapeutic contraindications that may be encountered, including how they may be avoided, and the actions required if they occur,
5. Techniques for self-monitoring drug therapy,
6. Proper storage,
7. Prescription refill information, and
8. Action to be taken in the event of a missed dose.

Pharmacy providers must observe the following guidelines regarding counseling:

- The pharmacist or pharmacy intern under the supervision of a pharmacist is responsible for personally conducting the counseling in accordance with the requirements of the Arizona State Board of Pharmacy,
- Counseling requirements apply to both new and refill prescriptions, except in situations where the patient's agent is not readily available to receive a counseling offer or the counseling itself,
- Documentation in the form of a signature by the patient or patient's agent is required only if counseling is refused and must be retained in the pharmacy. Pharmacies are exempt from this requirement during the COVID-19 public health emergency, and
- Pharmacies whose primary patient population is accessible through local measures or toll-free exchange are not required to offer toll-free service for long distance calls.

For the purposes of this policy and in accordance with the Arizona State Board of Pharmacy, pharmacists and interns under the supervision of a pharmacist, may provide counseling to AHCCCS members beneficiaries.

Medication Prescribing for Opioid Use Disorder

Medication Assisted Treatment (MAT) is the use of medications in combination with counseling and behavioral therapies for the treatment of substance use disorders. A combination of medication and behavioral therapies is effective in the treatment of substance use disorders and can help some people to sustain recovery.

The AHCCCS Administration and its Contractors shall provide coverage for medically necessary, cost-effective, and federally and state reimbursable behavioral health medications prescribed by a PCP when used to treat Opioid Use Disorder (OUD). For OUD the PCP must refer the member to a behavioral health provider for the psychological and/or behavioral therapy component of the MAT model and coordinate care with the behavioral health provider.

For further information regarding MAT please refer to AMPM 510, Primary Care Providers.

References

- The AHCCCS Medical Policy Manual (AMPM) can be found at https://www.azahcccs.gov/shared/MedicalPolicyManual/.

- Refer to AMPM 310-V Prescription Medications/Pharmacy Services for further information about pharmacy coverage.

- Refer to AMPM-510 Primary Care Providers for further information about Opioid Use Disorders and Medication Assisted Treatments.
- Refer to AMPM Policy 320-M, Medical Marijuana for further information on medical marijuana.
- Section 1903(i)(10) of the Social Security Act as amended by Section 6033 of the Deficit Reduction Act of 2005
- Center for Medicare and Medicaid Services (CMS) State Medicaid Director Letter dated March 22, 2006
- Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) section 1860D-2(e)(2)(A) as amended by Section 175.
- Arizona Revised Statute § 32-1974
- Arizona Administrative Code R-9-22-710

Revision History

Date	Description of changes	Page(s)
3/11/24	Removal of TRBHA drug list Updates to Interns and Techs administering vaccines	1 12

5/31/23	The following sections were updated to align with changes in AMPM 310-V and legislation changes: AHCCCS FFS Pharmacy Exclusions Prescription Drug Coverage, Billing Limitations and Prescription Delivery Additional Federal Opioid Legislation (Support Act P.L. 115-271) Monitoring Requirements Update the section on physician administered drugs to allow for the billing of discarded drug/waste for unit of use products. Billing for Pharmacy Services 340B Reimbursement Vaccines and Emergency Medications Administered by Pharmacists to Individuals Three Years of Age and Older A new section regarding Prescription Drug Counseling was added to conform at the request of CMS. Additional changes made per legislative SB 1162.	 3 4 7 11 13 16 12 18

8/2/19	Clarification added to the Covered Services section:
	• The AHCCCS FFS OTC/Dual Eligible Drug List name was updated.
	• Added:
	  ○ "…which include preferred drugs and procedures for requests for non-preferred agents."
	  ○ "Medications not listed are available through the prior authorization process."
	
	Updated Specific Parameters of the AHCCCS FFS Pharmacy Benefit section:
	• #2 updated to: "Exceptions to this requirement include members enrolled in an AHCCCS Contractor, who have been stabilized on a medication and are transitioning from a T/RBHA to a PCP or to a PCP from a T/RBHA for their behavioral health needs."
	• Added directions and website link for the Pharmacy PA Form.
	• #5 updated to: "Requires federally and state reimbursable drugs dispensed by an IHS/638 facility pharmacy to be submitted to the AHCCCS FFS PBM, OptumRx, for claims adjudication for reimbursement of the AIR and Specialty Medications."
	Note added: "**NOTE:** For additional information on pharmacy claims at IHS/638 facilities please refer to Chapter 8,
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	Pharmacy Services, of the IHS Tribal Provider Billing Manual." Updated FFS Pharmacy Exclusions section: • #3 now reads as: "Medications furnished solely for cosmetic purposes." • Added #12, #13 and #14: . 12. Outpatient medications for members under the Federal Emergency Services Program, except for dialysis related medications for Extended Services individuals; 13. Medical Marijuana (refer to AMPM Policy 320-M); and 14. Drugs eligible for coverage under Medicare Part D for AHCCCS members eligible for Medicare whether or not the member obtains Medicare Part D coverage Section title updated to "Prescription Drug Coverage, Billing Limitations and Prescription Delivery" Updated 100 days to 90 days in this section. • #3 updated to say "AHCCCS may cover the following for persons diagnosed with SMI and AHCCCS members who are eligible to receive Medicare:" • #s 5, 6, 7, 8 and 9 added to section: 5. Pharmacies shall not charge a member the cash price for a prescription, other than an applicable copayment, when the medication is federally and state reimbursable and the prescription is ordered by an AHCCCS Registered Prescribing Clinician. 6. Pharmacies shall not split bill the cost of a prescription claim to AHCCCS or it Contractors' PBMs for an AHCCCS member. Contractors' PBMs Pharmacies shall not allow a member to pay cash for a partial prescription quantity for a federally and state reimbursable medication when the ordered drug is written by an AHCCCS Registered Prescribing Clinician. 7. Pharmacies are prohibited from auto-filling prescription medications. 8. Pharmacies that purchase drugs at a Nominal Price outside of 340B or the Federal Supply Schedule shall bill their Actual Acquisition Cost of the drug.	3 4 4 4 4 4 4 5 5 5 5 5

	9. Pharmacies, at their discretion, may deliver or mail prescription medications to an AHCCCS member or to an AHCCCS registered provider's office for a specific AHCCCS member.	5
	Section added on Prior Authorization Requirements for Long-Acting Opioid Medications	5
	Section added on 5-Day Supply Limit of Prescription Short-Acting Opioid Medications	5-6
	Section added on Additional Federal Opioid Legislation (Support Act P.L. 115-271) Monitoring Requirements	6-7
	Section added on Naloxone	7-8
	Updated AHCCCS PBM section with:	
	NOTE: As of 4/1/2019, IHS/638 pharmacies must submit all Fee-For-Service and KidsCare prescription claims electronically at the point-of-sale to the AHCCCS FFS PBM, OptumRx. For prescriptions filled with a date of service prior to 4/1/19 at an IHS/638 pharmacy, the IHS/638 pharmacy should submit the Fee-For-Service prescription claim to the AHCCCS Administration. KidsCare claims for prescriptions filled prior to, on, or after date of service 4/1/19, by an IHS/638 pharmacy, should be submitted to OptumRx.	9
	All prescription claims for the AIR and Specialty Medication Plans shall be submitted at the Actual Acquisition Cost (AAC).	9
	For AIR and Specialty Medication claims, the submitted ingredient cost (AAC) must be submitted using the BIN: 001553 and the PCN: AIRAZM.	9
	If the claim's AAC is greater than the AIR, the pharmacy staff must also submit the clarification code of 09 when adjudicating the claim with the FFS PBM.	9
	Claims submitted with the "09" clarification code will be reimbursed at the following lesser of logic:	9
	AAC or Wholesale Acquisition Cost (WAC) plus a	9

	Professional Dispensing Fee.	
	Claims submitted for KidsCare must use the BIN: 001553 and the PCN:AZM.	9
	Please refer to the Contractor Pharmacy Grid for additional claims submission information.	9
	Reimbursement shall be in accordance with the contract between the PBM and the IHS/638 Pharmacy.	9
	Return of and Credit for Unused Medications	10
	• Updated: "A credit must be issued to AHCCCS FFS when the unused medication is returned to the pharmacy for redistribution." (Blue is new language)	10
	• "Added: "Medications, that are not picked up at the pharmacy within 15 days of the date of service, shall be returned to stock and electronically credited back to AHCCCS through the claims adjudication process with the FFS PBM."	10
	Updated: "Discarded federally and state reimbursable physician-administered medications shall not be billed to AHCCCS at the point-of sale or as a medical claim."	11
	Comprehensively updated the Vaccines and Emergency Medications Administered by Pharmacists to Members 19 Years of Age and Older section.	11-12
	Added: "The AIR claim, which covers the administration and the cost of the vaccine, counts as the one pharmacy AIR that can be billed per member per day per facility and applies to medications and vaccines.	11-12
	IHS and 638 pharmacies may bill the outpatient all-inclusive rate when the pharmacist/intern administers an adult vaccine to a member at the pharmacy, as noted above. The claim shall only be submitted to the FFS PBM for the AIR claim's adjudication.	
	i.e. A member goes to a pharmacy and has two prescriptions filled, and receives a vaccine administered by the pharmacist. The facility shall not bill for any of these	

	services. The pharmacy may bill **one AIR** for the two prescription and the cost and administration of the vaccine. When billing for a vaccine or medication administered by pharmacists or interns, the facility may not submit a claim to AHCCCS for the administration of the vaccine in addition to the pharmacy billing the PBM for the cost of the vaccine/medication. For purposes of this section "Emergency Medication" means emergency epinephrine and diphenhydramine. "Vaccines" are limited to AHCCCS covered vaccines for adults as noted in the AHCCCS Medical Policy Manual (AMPM) Policy 310-M, Immunizations. In addition to the requirements specified in A.R.S. § 32-1974, AHCCCS requires the following: 4. The pharmacy providing the vaccine must be an AHCCCS registered provider; 5. IHS and 638 Pharmacies must be registered with AHCCCS; and 6. The AHCCCS member receiving the vaccine must be age 19 years or older. "	
	Comprehensive updates to the Billing for Pharmacy Services section.	12-14
	• Updated verbiage: "Prescription medications may be reimbursed by the AHCCCS Administration or the Fee-For-Service (FFS) Pharmacy Benefit Manager (PBM), OptumRx, depending upon the member's enrollment and filling pharmacy and the date the prescription was filled."	12
	• Created a new grid for prescriptions filled with a date of service of 4/1/19 or after.	12-13
	• Updated the grid for prescriptions filled with a date of service prior to 4/1/19.	13-14
	• Updated verbiage: The AIR may be billed for adults 19 years of age and older, when a prescription is filled at and dispensed by an IHS/638 facility pharmacy to the member. The AIR for prescription services may be billed once daily, per member, per facility pharmacy. The maximum number of AIRs that may be billed daily is 5 per facility per member and they must be for non-duplicative visits.	14

	Section updated on AIR Claims Billing Specifications for Title XIX AHCCCS Members	
	• Added: "**Effective 4/1/2019, IHS/638 pharmacies billing prescription claims at the AIR, for medications and vaccines dispensed or administered at the pharmacy,** shall submit all prescription claims to OptumRx for Title XIX members."	14
	• **Updated: <u>For dates of service prior to and through 3/31/19</u>, IHS/638 pharmacies** billing prescription claims at the AIR, for medications and vaccines dispensed or administered at the pharmacy, shall submit all prescription claims to the AHCCCS administration for Title XIX members.	14-15
	Section updated on AIR Claims Billing for Title XIX Dual Eligible Members	15
	• Added:" **<u>Medicare Part D</u>** AHCCCS and its Contractors are prohibited from using federal and state dollars to pay for any part of cost sharing for Medicare Part D claims."	15
	• Updated: d. "The medication is listed on the AHCCCS FFS OTC / Dual Eligible Drug List; e. The medication is excluded from coverage under Medicare Part D by CMS and the drug is medically necessary and federally and state reimbursable; and f. Excluded medications will require prior authorization approval."	15
	• Added: "**<u>Medicare Part B</u>** AHCCCS and its Contractors shall reimburse IHS/638 Tribal Pharmacies up to 20% of Medicare Part B reimbursement amount. All claims shall be submitted to the member's enrolled health plan's PBM. Claims for AHCCCS Fee-For-Service members shall be submitted to OptumRx for adjudication with the primary payment from Medicare"	15
	• Updated: "The AIR shall not be reimbursed for: d. Medications eligible for coverage under Medicare Part D. e. Part B covered drugs, blood glucose meters, strips, lancets and other devices and syringes. f. Medicare Part D drugs, devices, and syringes when the member is eligible for Medicare and the member has opted out of Medicare Part D.	15

	• Added: "For Medicare Part B, AHCCCS is the secondary payer for these claims and will reimburse up to 20 percent of the Medicare Part B payments. Pharmacies must be Medicare certified in order to bill Medicare. Reimbursement shall not be provided for Medicare Part B when the member has opted out of Medicare Part B."	15 15
	Added section on "Over the Counter (OTC) Medications (Not Covered by Medicare Part D as the Primary Payer) • Added: "AHCCCS has a Dual Eligible Drug List of OTC products. Members eligible for or enrolled in Medicare are noted on the eligibility file sent to OptumRx. AHCCCS is the primary payer for the OTC products listed on the Dual Eligible Drug LIst and the claims shall be submitted to OptumRx for adjudication and reimbursement."	15-16 16
	Added section on "Inpatient and In-Clinic Medications"	16
	Added Informed Consent section	17
	Added Youth Assent section	17
	Added Complementary and Alternative Medicine section	18
	Updated title of Medication for Opioid Use Disorder to "Medication Prescribing for Opioid Use Disorder"	18
10/1/18	Clarification added to the Covered Services section. • "Federally and state reimbursable medications" changed to "CMS Covered Outpatient Drugs." 1 • Added: "The AHCCCS Fee-For-Service (FFS) Acute/LTC Drug List and the AHCCCS FFS TRBHA Drug List contain CMS Covered Outpatient Drugs and medications that are preferred in specific therapeutic drug classes."	1
	The Specific Parameters of the AHCCCS Pharmacy Benefit section was updated. • "Managed care" changed to "AHCCCS Complete Care health plan." • "…and members who are being treated for anxiety, depression, ADHD and/or OUD" was removed.	2
	Clarification added to the Vaccines and Emergency Medications Administered by Pharmacists section.	6
	The Billing for Pharmacy Services grid has been updated to include	7

	information about where claims should be submitted for Title XIX and XXI members.	
3/22/18	The FFS Pharmacy Exclusions section has been updated	3
2/16/18	Billing for Pharmacy Services grid added AIR Claims Billing Specifications for Title XIX Members section added AIR Claims Billing for Title XIX Dual Eligible Members section updated AIR Claims Billing Specifications for Title XXI Members section added Pharmacy department updates General formatting	7 8 8-9 9 All All
1/1/2018	Prior Authorization Criteria for Direct Acting Antiviral Treatment for Hepatitis C Section/Reference Added Behavioral Health Medication Coverage Section/Reference Added Medication Assisted Treatment (MAT) for the Treatment of OUD Section Added References Updated General formatting Updating of phone numbers and links	7 9 9-10 10 All All
10/13/2015	New formatting; New PBM vendor effective 10/01/2015 New Exhibit 10-1 OptumRX Prior Authorization Form	All & Exh 10-1
12/31/2012	Section title alpha corrections	All
10/01/2012	New PBM vendor – MedImpact effective 10/01/2012	All