

Date: January 30, 2018

To: Contractor Medical Directors

Contractor Pharmacy Directors Contractor Compliance Officers

From: Suzi Berman, RPh

Subject: AHCCCS Drug List Preferred Drugs

This memo is to provide notice on the preferred drugs that were approved at the January 16, 2018 AHCCCS Pharmacy & Therapeutics (P&T) Committee. Single and combination inhaled corticosteroid products were reviewed by the Committee and the following changes were made to the current preferred drugs listed on the AHCCCS Drug List.

Pulmicort Flexhaler was added as a preferred agent because QVAR has been discontinued. QVAR MDI will continue to be covered while supplies last, however the new QVAR RediHaler will not be a preferred agent on the AHCCCS Drug List. Also, once QVAR MDI supplies have been exhausted, members will not be grandfathered to the RediHaler preparation.

The branded product, Pulmicort Respules, remains as the preferred budesonide inhalation agent on the AHCCCS Drug List. Currently this product requires prior authorization. AHCCCS is in agreement with the Committee's recommendation to remove the prior authorization requirement for children under the age of 4 years old.

There were no changes to the preferred combination product. Advair Diskus, Advair HFA for ages 4-12, Dulera and Symbicort remain as the preferred agents.

The Committee made final recommendations on the Cytokine and CAM Antagonist Class; Enbrel and Humira will continue as the preferred agents.

At the October 2017 meeting, Nucynta ER was recommended by the Committee to AHCCCS, however after further review and discussion with the Committee, Tramadol ER will be added as a preferred agent and Nucynta ER will not be added.

All of the changes above are effective on April 1, 2018.

Contractors shall approve preferred drugs for medication classes listed on the AHCCCS Drug List before considering approval/authorization of non-preferred drugs. However, Contractors shall approve non-preferred drugs when:

- 1) The member has previously completed step therapy using the preferred drug(s) or
- 2) The member's prescribing clinician supports the medical necessity of the non-preferred drug over the preferred drug for the particular member.

Contractors shall facilitate member transitions to the preferred drugs for single and combination inhaled corticosteroids. Contractors are not required to provide a Notice of Action when the prescribing clinician is in agreement with the change to the preferred drug. A prior authorization may be submitted for the non-preferred drug when the prescribing clinician is not in agreement with the transition to the preferred drug. Contractors shall issue a Notice of Action in accordance with AHCCCS Contractor Operations Manual (ACOM) Chapter 414 – Notices of Action for Service Authorizations when a prior authorization is denied.

A file is attached that contains the preferred and non-preferred drugs by the National Drug Code and the drug label name. Drugs noted as "ON" have preferred status and those listed as "NPD" are non-preferred. New drug market entries other than the preferred drugs will be considered non-preferred.

Contractors shall communicate the AHCCCS DRUG LIST preferred drugs to their pharmacy benefit managers and require point-of-sale edits that communicate the preferred drug of a therapeutic class to the pharmacy when a claim is submitted for a drug other than the preferred drug.

Contractors are required to list these medications on their drug list exactly as they are listed on the AHCCCS DRUG LIST. Contractors shall not add other drugs to their drug list to therapeutic classes that contain preferred drugs on the AHCCCS DRUG LIST. All Contractor drug lists, including website listings, must be updated by April 1, 2017 to reflect P&T preferred drug and other changes.

As a reminder, the contract language between AHCCCS and its Contractors prohibits duplicate discounts and is stated as follows:

"Pharmaceutical Rebates: The Contractor, including the Contractor's Pharmacy Benefit Manager (PBM), is prohibited from negotiating any rebates with drug manufacturers for preferred or other pharmaceutical products when AHCCCS has a supplemental rebate contract for the product(s). A listing of products covered under supplemental rebate agreements will be available on the AHCCCS website under the Pharmacy Information section.

If the Contractor or its PBM has an existing rebate agreement with a manufacturer, all outpatient drug claims, including provider-administered drugs for which AHCCCS is obtaining supplemental rebates, must be exempt from such rebate agreements."

The supplemental rebate drug classes to be reviewed at that April 17, 2018 AHCCCS P&T Meeting are:

- Opiate Dependence Treatments
- COPD Agents (Chronic Obstructive Pulmonary Disease)
- Hypoglycemics (Incretin Mimetics/Enhancers)
- Hypoglycemics (Insulin and Related Agents)

A listing of the drugs for each of the classes above can be found on the Provider Synergies website at www.providersynergies.com under Arizona.

Non-supplemental rebate classes that will be reviewed at the April 17, 2018 meeting will be posted shortly on the AHCCCS website under the Pharmacy and Therapeutics Committee section.

Please contact me at your convenience if you have any questions. I can be reached at <u>Suzanne.Berman@azahcccs.gov</u> or telephonically at (602) 417-4726.