

POLICY AND PROCEDURE

DEPARTMENT: Pharmacy Operations	DOCUMENT NAME: Preferred Drug List
PAGE: 1 of 5	REPLACES DOCUMENT: CC.PHAR.10
APPROVED DATE:	RETIRED:
EFFECTIVE DATE:	REVIEWED/REVISED: 01/2018
PRODUCT TYPE: Medicaid	REFERENCE NUMBER: IL.PHAR.10

SCOPE:

Centene Corporate Pharmacy Solutions, Health Plan Pharmacy Departments, Centene Pharmacy and Therapeutics Committee, Health Plan Pharmacy and Therapeutics Committees, Envolve Pharmacy Solutions.

PURPOSE:

To maintain a comprehensive Preferred Drug List (PDL) to serve Centene Health Plan members while also identifying pharmaceutical management controls that assure appropriate use of drugs and a high quality pharmacy benefit.

POLICY:

The Centene Pharmacy and Therapeutics (P&T) Committee is responsible for approving all changes to the Centene PDL, in cooperation with and approval by the Health Plan P&T Committees. In addition, the Centene P&T Committee will determine which drugs included in the PDL will require pharmaceutical management edits including prior authorization, quantity limits, age and gender edits, and step therapy. The Centene PDL will also be reviewed to verify compliance with State regulations and allow for variances based upon the findings.

PROCEDURE:

1. Centene Corporate Pharmacy Solutions, Envolve Pharmacy Solutions', the designated Prescription Benefit Manager (PBM), Clinical Pharmacy Advisory Committee (CPAC) will monitor the drug approval pipeline and provide information to the Centene P & T Committee for evaluation including: annual reviews, quarterly by therapeutic class, of the current drugs on the PDL to determine the appropriateness of PDL positioning, the potential for changes based on new drug arrivals or labeling changes, and any pharmaceutical management protocols that may need to be implemented.
2. The Centene Corporation uses a process that allows Regional P&T Committees to review recommendations from CPAC and provide feedback prior to presentation of the material to Corporate P&T. This work flow promotes an environment that allows all P&T Committee members input and recognizes regional differences in practice standards.

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3. It is the objective of Centene to offer uniform coverage across all Medicaid Plans for the membership that it serves. The Health Plans may request variances to the PDL with submission of a Health Plan P&T Recommendation (Attachment A) and providing clinical rationale to support the recommendation. Clinical rationale may include: peer reviewed articles, published double-blind, randomized, studies (of sufficient size, normally $N \geq 100$) that demonstrate a clearly superior benefit, guidelines that are supported by evidence based professional medical organizations, pharmacoeconomic drug comparison studies, or State required mandates for coverage or coverage exclusions. Requests must include Health Plan P&T Committee agreement by a quorum approval vote. Requests for reconsideration should be forwarded to CPAC for presentation to and review by the Corporate Pharmacy P&T Committee. Final disposition will be decided by the Corporate P&T Committee.
4. Any changes to the PDL must consider Centene Health Plan State regulations, and changes may require submission to the State for approval (where applicable).
5. The Corporate P&T Committee considers all clinical recommendations and based on clinical effectiveness and comparison makes one of following Utilization Management Recommendations:
 - a. There is significant potential for inappropriate use and utilization management should be considered for the following reason(s). The CPAC rationale for prior authorization will be provided, a specific example that supports the CPAC rationale and recommended utilization management tools.
 - b. There is not significant potential for inappropriate use. Placement of the drug compared to similar drugs or drug classes. Equal access can be provided or a step therapy can be proposed.
6. Corporate P&T decisions are forwarded to the Strategy Development Committee (SDC). The SDC will review and perform data and financial analyses to make PDL decisions consistent with Corporate P&T decisions. SDC will manage drug cost using a multi-disciplinary standardized approach to identify, develop and implement long and short-term strategies in support of health plan financial and other business objectives. Data and analytics will optimize decision-making.

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7. The decisions are communicated to Regional Leads and Formulary Management. Formulary Management then loads decisions into the claims system. Health Plan web sites are updated as well and should be synchronized with preferred drug lists published. The responsibility of communicating changes to the PDL to Health Plan providers resides at the plan level. The Health Plan communicates via Member and Provider newsletter on an annual basis the availability of the most current PDL on the website. If significant changes to the PDL are made, the Health Plan will communicate with providers via Eblast, Faxblast and/or newsletter. In addition, members will receive notification via newsletter or mail.
8. All requests from Plan providers for additions, deletions or changes to the PDL will be reviewed by the Health Plan's P&T Committee and recommendations for agreed upon changes are forwarded to CPAC. Subsequently, CPAC will review the requests and present them for consideration to the Corporate P&T Committee. For provider requests not agreed to by the Health Plan P&T Committee, the Health Plan Pharmacist will communicate the adverse decision to the requesting provider. Provider requests for changes to the PDL must be submitted in writing to the Health Plan's Pharmacist and must be substantiated with evidenced based medical rationale in order to be considered (see Attachments B).
9. The Corporate and Health Plan P&T Committee members are responsible to stay informed on the latest medications available on the market including newly arrived generic and brand-name products and changes in drug labeling.
10. Envolve Pharmacy Solutions and Caremark will be responsible for ensuring that the IlliniCare PDL only contain drugs made by manufacturers who participate in the federal Medicaid drug rebate program. This will be done by:
 - a. Applying the most recent CMS labeler file to the IlliniCare PDL on a quarterly basis.
 - b. Rejecting all pharmacy claims submitted with NDCs not included on the quarterly CMS labeler file.
11. IlliniCare shall submit the PDL for state review on a yearly basis, utilizing the state provided template, no later than September 30th of every calendar year.
12. IlliniCare shall submit an attestation of its adherence to the Department's PDL at or before July 1, 2018 and quarterly in conjunction with PDL revisions thereafter.

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13. IlliniCare will be responsible for ensuring that both its electronic and print PDL documents contain the following:
- a. A listing of all brand and generic medications covered.
 - b. If medication is preferred or non-preferred and each term's definition
 - c. Each medication's tier and the definition of each tier
 - d. Utilization controls, including step therapy, prior approval, dosage limits, gender or age restrictions, quantity limits, and other policies
 - e. Cost sharing
 - f. Glossary of key terms and explanation of utilization controls and cost sharing
 - g. A key for all utilization controls visible on every page in which specific medication coverage is displayed
 - h. Directions to obtain more information if a medication is not covered or listed in the formulary
 - i. An e-mail and toll-free number to which an individual can report inaccuracies in the formulary
 - j. A disclosure that identifies the date of publication, a statement that the formulary is up to date as of publication, and contact information for questions and requests to receive updated information. The disclosure shall state: "This Formulary is up to date through its date of publication, MM, YYYY. Please notify IlliniCare Health at ichprx@centene.com or (866) 329-4701 with any mistakes in the formulary.", and will be located on the first page of the PDL document.

REFERENCES:

N/A

ATTACHMENTS:

Attachment A: Health Plan P&T Recommendation
Attachment B: PDL Change Request

DEFINITIONS:

N/A

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REVISION LOG

REVISION	DATE

POLICY AND PROCEDURE APPROVAL

The electronic approval retained in Compliance 360, Centene's P&P management software, is considered equivalent to a physical signature.

P&T Committee: Approval on file

VP of Medical Management: Approval on file

Medical Director: Approval on file

Pharmacy Director: Approval on file