

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS

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The IHCP to require PA for brand medically necessary mental health drugs

Since September 2001, a prescriber's specification of "brand medically necessary" has required prior authorization (PA) in order for Indiana Medicaid to reimburse for a prescribed brand-name product when a less expensive generic equivalent is available (see [BT200132](#)). Mental health drugs, however, were exempt from this requirement. *Section 143 of House Enrolled Act 1001* of the recently concluded 2010/2011 Indiana General Assembly removed this exemption, so mental health drugs will require PA for "brand medically necessary," as do other drugs covered by the Indiana Health Coverage Programs (IHCP).

The term "brand medically necessary" is used by prescribers when they have seen therapeutic problems (such as allergic reactions or perceived product failure) with generic drugs. The PA requirement implemented in September 2001 ensures that these prescriber observations are reported to the Food and Drug Administration (FDA), and the new law allows for this reporting to include mental health drugs.

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Key information

Prescribers and pharmacy providers should carefully note the following:

- Effective for pharmacy claims with dates of service on or after July 1, 2011, all claims for Indiana Medicaid-covered mental health drugs will require PA for “brand medically necessary.” This requirement pertains to all prescriptions written on or after July 1, 2011, and to refills of prescriptions written prior to July 1, 2011. If a prescriber wishes to indicate “brand medically necessary” for an Indiana Medicaid-covered mental health drug, the prescriber must seek PA for the “brand medically necessary” specification. In accordance with Indiana law, the prescriber should sign the left (Dispense as Written) line of the prescription blank and indicate “brand medically necessary” on the face of the prescription in his/her handwriting. Pharmacy providers are reminded to submit claims for such prescriptions with a dispense as written (DAW) code element of 6.
- To seek the required PA, prescribers will submit to the IHCP pharmacy PA contractor, Affiliated Computer Services (ACS), a [Prior Authorization Request Form](#) found on the Forms page of indianamedicaid.com; **and** a copy of the MedWatch form ([Form FDA 3500](#)), found on the FDA Web site at fda.gov. (The original MedWatch form is required to be submitted to the FDA.) This is the same process that has been used for other drugs since September 2001.
- Prescribers may contact ACS by calling the Clinical Call Center at 1-866-879-0106 or by sending a fax to 1-866-780-2198. ACS Clinical Call Center staff will be glad to assist with information regarding the PA requirement and process.
- For instances where PA cannot be immediately obtained, pharmacy providers should follow “[emergency supply](#)” procedures specified under [Pharmacy Services](#) on the ACS Web site at indianapbm.com.
- The IHCP pharmacy audit contractor will closely monitor pharmacy providers’ use of “brand medically necessary” specifications on claims. Incorrect or inappropriate use by pharmacy providers of “brand medically necessary” specifications on claims may result in recoupment of payments and possible imposition of sanctions.

QUESTIONS?

If you have questions about this publication, please call the ACS Clinical Call Center at 1-866-879-0106 or send a fax to 1-866-780-2198.

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