

# IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS    BT202270    AUGUST 30, 2022

## IHCP announces intent to implement Statewide Uniform PDL for all Medicaid pharmacy plans

The Indiana Health Coverage Programs (IHCP) announces alignment of all managed care prescription drug benefit programs with the fee-for-service (FFS) Preferred Drug List (PDL), effective July 1, 2023. Effective for claims with dates of service on or after July 1, 2023, all managed care plans will cover both preferred and nonpreferred drugs, maintain the same clinical criteria requirements and use the same format for prior authorization (PA) as the FFS program. Alignment of PA criteria and format for drugs not managed by the PDL will not be included in the process at this time.

The IHCPs' Statewide Uniform Preferred Drug List (SUPDL) initiative is similar to those already implemented by surrounding state Medicaid programs. The goal of this initiative is to improve provider and member experience through enhanced and simplified medication access across all IHCP prescription drug benefits without increasing overall prescription drug expenditures.



### Purpose of the PDL

State Medicaid programs primarily use PDLs as a cost-saving measure. If there is more than one manufacturer of a drug in a drug class, the manufacturers may compete to have their drug listed as **preferred** on a PDL by offering supplemental rebates to the state. The states may award drug(s), with equal or greater efficacy and safety profiles, offering the highest rebates, preferred status. These supplemental rebates reduce net drug expenditures to state Medicaid programs. The remainder of the drugs in the class are considered **nonpreferred**, requiring medical justification for use over the preferred drugs.

Most drugs covered by Medicaid programs are not reviewed for preference for a variety of reasons. Drug classes consisting almost entirely of generic agents, such as oral amoxicillins, are not reviewed for preference because generic manufacturers generally do not compete by offering rebates. Another example would be novel single-source agents, such as emicizumab, because these one-of-a-kind agents have no competitive incentive to offer rebates. The IHCP describes these drugs as “**neutral**.”

### Role of the Therapeutics Committee

The Office of Medicaid Policy and Planning (OMPP) will direct SUPDL development and maintenance, utilizing the assistance of the FFS pharmacy benefit manager, OptumRx. The Therapeutics Committee will review the SUPDL and corresponding PA. The schedule for review of therapeutic classes, including clinical data submission and rebate bid submission due dates, can be found by selecting the Boards and Committees tab, then Therapeutics Committee on the OptumRx Indiana Medicaid website (accessible from the [Pharmacy Services](#) page at [in.gov/medicaid/providers](http://in.gov/medicaid/providers)).

### Role of the DUR Board

The Drug Utilization Review (DUR) Board will review SUPDL recommendations from the Therapeutics Committee as they have previously for the individual FFS and managed care PDLs. Notices of the DUR Board meetings and agendas are posted on the [FSSA website](https://www.in.gov/fssa) at in.gov/fssa. Click FSSA Calendar on the left side of the page to access the events calendar.

### Continuity of care

Members with a paid claim prior to July 1, 2023, for a nonpreferred drug, may continue to receive coverage for the drug up to 90 days following SUPDL implementation to allow time to transition to a preferred drug on the SUPDL. Providers are encouraged to submit a PA request, during this time, if continuation of therapy for the nonpreferred drug is medically justified over the preferred.

Further details about implementation of the SUPDL will be forthcoming.



### For more information

Please direct any questions about this bulletin to the OptumRx Clinical and Technical Help Desk by calling toll-free 855-577-6317. The current FFS PDL and PA criteria can be found on the [OptumRx Indiana Medicaid website](https://www.optumrx.com/indiana/medicaid).

Questions regarding pharmacy benefits for members in the Healthy Indiana Plan (HIP), Hoosier Care Connect and Hoosier Healthwise should be referred to the managed care entity (MCE) with which the member is enrolled.

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