

<b>DEPARTMENT: Pharmacy Services</b> Department		<b>POLICY DESCRIPTION: Medicare Part D Transition</b> Process	
PAGE 1 of 7		REFERENCE NUMBER: PHP.RX.046	
<b>INITIAL EFFECTIVE DATE:</b> January 1, 2008	<b>CURRENT EFFECTIVE DATE:</b> January 1, 2011	<b>NEXT REVIEW DATE:</b> January 1, 2013	

**SCOPE:**

All Presbyterian (PHP) and Presbyterian Insurance Company (PIC) Medicare product lines that have a pharmacy benefit.

**PURPOSE:**

To define the Presbyterian Medicare Part D Transition process for:

- 1) the transition of new enrollees into prescription drug plan
- 2) the transition of newly eligible Medicare beneficiaries from other coverage
- 3) the transition of individuals who switch from one plan to another after January 1<sup>st</sup> of the contract year
- 4) enrollees residing in long-term care (LTC) facilities
- 5) enrollees affected by formulary changes from one contract year to another
- 6) enrollees who have exhausted their limited Part A supply
- 7) enrollees who change treatment settings due to changes in level of care

Who were prescribed either:

- A. Part D drugs not on Presbyterian's Medicare Part D formulary Part D drugs that are on Presbyterian's Medicare Part D formulary and require Prior Authorization, Step Therapy or Utilization Management edits

**POLICY:**

The policy is intended to ensure that new and existing members have an appropriate transition for current Part D drugs they were prescribed that are not on the formulary, removed from the formulary or formulary status changed. This policy also applies to enrollees where circumstances exist in which unplanned transitions could arise, usually involving level of care changes where a beneficiary is changing from one treatment setting to another. Examples are beneficiaries who enter LTC facilities from hospitals, discharged from a hospital to a home, beneficiaries who end their skilled nursing facility, beneficiaries who give up hospice status, beneficiaries who end an LTC facility stay or beneficiaries who are discharged from psychiatric hospitals.

This policy applies to Retail, home infusion, long-term care and mail-order pharmacies.

**Transition Requirements:****Retail Setting**

For new enrollees on drugs that are not on the formulary or drugs that require either Prior Authorization or Step Therapy, at least a one time 30-day supply, unless the enrollee presents with a prescription written for less than 30 days in which case the plan will allow multiple fills to provide up to a total of 30 days of medications, anytime during the first 90 days of the beneficiary's enrollment in a plan, beginning on the enrollee's effective date of coverage. Presbyterian Pharmacy Services will initiate the prior auth process once the transition fill has been given. If the

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Prior Authorization request does not meet established criteria for coverage and is denied, then the plan will work directly with the provider to transition the enrollee to a therapeutically equivalent formulary alternative. For non-LIS enrollees, the cost-sharing for the temporary supply of drugs provided under this transition process shall be based on an approved cost-sharing tier and shall be consistent with the cost-sharing Presbyterian would charge for non-formulary drugs approved under a coverage exception. For LIS enrollees, the cost sharing will never exceed the statutory maximum co-payment amount for low-income subsidy eligible enrollees. This one time 30-day supply is effective for 90 days beginning on either January 1, of the contract year or the enrollees' first effective date of coverage. PHP staff shall be available 24 hours a day to determine Part B vs. Part D coverage, to prevent coverage of non-Part D drugs, and promote safe utilization of Part D drugs (e.g., quantity limit based on FDA maximum recommended dose, early refill edits during transition at point of sale).

### Long Term Care Setting

For new enrollees on drugs that are not on the formulary or drugs that require either Prior Authorization or Step Therapy:

- (1) this transition policy provides for a 31-day supply (unless the enrollee presents with a prescription written for less than 31 days), with multiple refills as necessary, up to a 93 day supply during the first 90 days of beneficiary's enrollment in a plan, beginning on enrollee's effective date of coverage.
- (2) in the long-term care setting, after the 90 day transition period has expired, the transition policy provides for a 31-day emergency supply of non-formulary Part D drugs (unless the enrollee presents with a prescription written for less than 31 days) while an exception or prior authorizations requested.
- (3) for enrollees being admitted to, or discharged from a LTC facility, early refill edits are not used to limit appropriate and necessary access to their Part D benefit, and such enrollees are allowed to access a refill upon admission or discharge.

Presbyterian Pharmacy Services will initiate the prior auth process once the transition fill has been given. . If the Prior Authorization request does not meet established criteria for coverage and is denied, then the plan will work directly with the provider to transition the enrollee to a therapeutically equivalent formulary alternative. The applicable copay will be assessed to the new enrollee for the drug and will never exceed the statutory maximum co-payment amount for low-income subsidy eligible enrollees. This 31-day supply, with multiple refills as necessary, is effective for the entire 90 days beginning on either January 1, of the contract year or the enrollees' first effective date of coverage. PHP staff shall be available 24 hours a day to determine Part B vs. Part D coverage, to prevent coverage of non-Part D drugs, and promote safe utilization of Part D drugs (e.g., quantity limit based on FDA maximum recommended dose, early refill edits during transition at point of sale).

After the 90-day transition period has expired, the transition policy provides for a 31-day emergency supply of non-formulary Part D drugs (unless the enrollee presents a prescription written for less than 31 days) while an exception is being processed.

Upon admission to or discharge from a long-term care facility, early refill edits will be overridden.

Prescriptions for quantities that exceed safety limits established by the FDA or the PHP Pharmacy and Therapeutics Committee will be denied. Prior to the denial, PHP will ensure and track that (1) an initial transition supply has been provided up to the maximum limit and that (2) the plan has assisted the beneficiary or physician in filing an exception and appeal or that an exception and appeal has been processed. The appropriate copay will be assessed as explained above and the new enrollee and/or physician will be either instructed to or assisted in filing an exception and appeal. Refills may be authorized for transition prescriptions dispensed for quantities less than

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the written amount due to quantity limits based on safety purposes or drug utilization edits that are based on approved product labeling following a Prior Authorization determination.

#### **New prescription versus Ongoing Medication Therapy**

Every attempt will be made to determine if the prescription is a new prescription or ongoing medication therapy. The pharmacy and/or physician will be contacted as necessary. If it cannot be determined if the prescription is a new prescription or ongoing, then it will be treated as an ongoing prescription and an appropriate transitional supply will be provided to the enrollee if the prescription is within the Transition time period. The appropriate copay will be accessed.

If a new Part D plan enrollee presents with a non-formulary prescription, the appropriate transitional supply will be provided to the enrollee. The pharmacy exception process (medical review) of the non-formulary drug will be initiated by the plan's Clinical Pharmacist, who will work directly with the enrollee's provider to switch the new Part D plan enrollee to a therapeutically appropriate formulary alternative, failing an affirmative pharmacy exception (medical review) determination. (See PHP.RX.016 – Pharmacy Exception Process & Notification for pharmacy exception process)

Beneficiaries will be permitted to have a full outpatient supply available under their Part D benefit to continue therapy once their limited Part A supply is exhausted and all aspects of this transitions policy will apply.

#### **Transition Notices**

A written notice will be sent to the new enrollee via U.S. First Class mail within three business days of a temporary fill. This notice is intended to provide the new enrollee sufficient time to be transitioned to a therapeutically equivalent formulary alternative or to process an exceptions request. The following elements will be included in each notice: (1) an explanation of the temporary nature of the transition supply an enrollee has received; (2) instructions for working with the plan sponsor and the enrollee's prescriber to identify appropriate therapeutic alternatives that are on the formulary; (3) an explanation of the enrollee's right to request a formulary exception; and (4) a description of the procedures for requesting a formulary exception. The format of the letter will be the CMS model letter.

#### **Prescriber Notification of Transition Fill**

Every reasonable effort to notify prescribers of transition fills will be made. A copy of the member transition fill notification, clearly labeled as "PRESCRIBER COPY", will be sent to the prescriber of record within three business days of the temporary fill. The plan's Clinical Pharmacist will initiate the exception process and work directly with the prescriber to approve the exception request or ensure a smooth transition to a formulary alternative.

#### **Transition Extensions**

The Plan will extend the transition policy across contract years should a beneficiary enroll in a plan with an effective enrollment date of either November 1 or December 1 and needs access to a transition supply.

The Plan will extend the transition period, on a case-by-case basis, to the extent that the enrollee's request or appeal has not been processed by the end of the minimum transition period or until such time as the plan has effectuated a meaningful transition.

#### **Formulary Change Notice in Advance of Upcoming Contract Plan Year**

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Enrollees will not be notified of formulary changes for a new contract year, however, an updated formulary must be provided to enrollees in the ANOC, which will provide enrollees with at least 60 days to review the new formulary to determine if their medications are covered and whether the cost-sharing for their covered medications will change in the upcoming contract year.

This transition process shall be applicable for current enrollees who are on medications that will not be on the upcoming plan year formulary and for enrollees who have not been (1) transitioned to a formulary medication or (2) for whom a formulary exception has been granted.

For current enrollees whose drugs are no longer on the formulary, Presbyterian will 1) use the same process for the new enrollee beginning in the new contract year or 2) allow enrollee to remain on the drug through calendar year (grandfather).

#### **Public Notice of Transition Policy**

The transition policy is available to enrollees via link from Medicare Prescription Drug Plan Finder to plan web site and included in pre and post enrollment marketing materials as directly by CMS. The transition process information and the prior authorization request form is also available to enrollees and providers via fax, mail, email and on the plan website at [www.phs.org](http://www.phs.org).

#### **Pharmacy Network Notification**

A copy of the plan's Transition Policy will be communicated annually with the contracted pharmacy network via the Fax Blast process.

<b>DEFINITIONS:</b>	
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FDA – Federal Drug Administration  
 LIS – Low-Income Subsidy  
 LTC – Long-Term Care  
 PBM – Pharmacy Benefit Manager

<b>PROCEDURE:</b>	
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If an enrollee, in any of the transitional scenarios on Page 1, under "Purpose 1-7", presents at the pharmacy with a prescription for a drug that is not on the formulary (or has utilization tools attached), the PBM system has the capability to allow the pharmacy to provide a one-time, temporary supply of non-formulary drugs in order to accommodate the immediate needs of an enrollee. Messaging approved by the industry through NCPDP will clarify information and give contact information if needed at the point of service to adjudicate the Part D claim. Once the transition supply has been dispensed, the health plan is notified at the point of service to allow the plan sufficient time to work with the prescriber on an appropriate switch to a therapeutically equivalent medication or the completion of the exception process to maintain coverage of an existing drug based on medical necessary. Under no circumstances will a beneficiary be sent away from the pharmacy without their medication.

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Pharmacy Services Department will ensure enrollees who have used the transition benefit will be given appropriate assistance and information necessary to enable them to better understand the purpose of the transition and ensure a meaningful transition by:

- ⇒ Analyzing claims data to determine which enrollees require information about their transition supply
- ⇒ Contact enrollees to ensure they have the necessary information to enable a switch to a formulary agent or as an alternative to pursue necessary prior authorizations or formulary exceptions
- ⇒ Increase call center capacity, including our internal helpdesk, to support any anticipated increase in call volume from affected enrollees regarding the transition process
- ⇒ Arrange to continue to provide necessary drugs to an enrollee by extending the transition period, on a case-by-case basis, if the enrollee's exception request or appeal has not been processed by the end of the minimum transition period.

The Transition Notice will be initiated by the Pharmacy Services Department and mailed out within three (3) business days. Transition Notices will be logged on the shared pharmacy folder, under "Transition Notices" for tracking and reporting purposes.

<b>REFERENCE:</b>	
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Chapter 6 Section 30.35 of the Medicare Part D Manual  
Chapter 6 Section 30.4 of the Medicare Part D Manual

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