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## 11. PHARMACY

### A. Formulary Management

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#### **APPLIES TO:**

- A. This policy applies to all IEHP Medi-Cal Members.

#### **POLICY:**

- A. The IEHP formulary is a continually updated list of medications immediately available to practitioners and Members. It contains information on co-payment requirements and the procedures for obtaining Code 1 and non-formulary medications.
- B. The IEHP Pharmacy and Therapeutics (P&T) Subcommittee makes decisions regarding which medications are included on the formulary.
- C. The IEHP P&T Subcommittee evaluates the clinical use of drugs, develops policies for managing drug use and drug administration, and manages the formulary system. The Quality Management (QM) Committee has final approval of P&T Subcommittee decisions.
- D. The P&T Subcommittee objectively appraises, evaluates, and selects pharmaceutical products for formulary inclusion and exclusion. This is an ongoing process to ensure the optimal use of therapeutic agents. Products are evaluated based on efficacy, safety, ease of use, and cost.
- E. IEHP does not accept any incentives to use a specific drug on a preferred status; therefore, the IEHP formulary does not contain any drugs with preferred status.
- F. Due to the multiplicity of drugs on the market and the continuous introduction of new drugs into the market, IEHP P&T Subcommittee meets on a quarterly basis to update the formulary.
- G. The Subcommittee provides recommendations regarding protocols and procedures for the use of non-formulary medications.
- H. The Subcommittee provides recommendations regarding educational materials and programs about drug products and their usage to all IEHP practitioners and providers.
- I. The P&T Subcommittee develops and monitors quality issues in regards to correct drug use for IEHP and its Members. This includes drug utilization review (DUR) and drug use evaluation (DUE) programs.
- J. The P&T Subcommittee recommends disease state management or treatment guidelines for specific diseases or conditions. These guidelines are a recommended series of actions, including drug therapies, concerning specific clinical conditions.
- K. IEHP distributes the formulary to all new practitioners.
- L. The treatment guidelines are evidence based guidelines from recognized sources or developed by board-certified practitioners from appropriate specialties.

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- M. The current treatment guidelines include Depression, Attention Deficit/Hyperactivity Disorder (ADHD), Diabetes, Asthma, Hyperlipidemia, Allergic Conjunctivitis, Anti-Infective Guide, Respiratory Syncytial Virus (RSV), Multiple Sclerosis, Migraine, Pulmonary Arterial Hypertension, Hepatitis C, and Hypertension.
- N. All treatment guidelines are reviewed annually. IEHP sends written notification to IEHP Providers regarding the availability of new guidelines. All current guidelines are available through our website at [www.iehp.org](http://www.iehp.org).

#### **PROCEDURES:**

- A. IEHP P&T Subcommittee's membership consists of the IEHP Director of Pharmaceutical Services or designee as Chairperson, Chief Medical Officer, Medical Director, five clinical pharmacists (representative of the overall IEHP network) and five practicing physicians (representative of the overall IEHP network) as voting members. The IEHP staff includes the Director of Quality Management, Director of Healthcare Analytics, Clinical Pharmacist, and Director of Health Administration. The Pharmaceutical Services Administrative Assistant acts as secretary to the Subcommittee. The Subcommittee meets on a quarterly basis at IEHP offices.
- B. Factors related to optimal pharmacotherapy and considered in formulary deliberations include:
1. Pharmacologic considerations (e.g., drug class, similarity to existing drugs, side effect profile, mechanism of action, therapeutic indication, drug-drug interaction potential, clinical advantages over other products in the specific drug class);
  2. Unlabeled uses and their appropriateness;
  3. Bioavailability data;
  4. Pharmacokinetic data;
  5. Dosage ranges by route and age;
  6. Risks versus benefits regarding clinical efficacy and safety of a particular drug relative to other drugs with the same indication;
  7. Patient risk factors relative to contraindications, warnings and precautions;
  8. Special monitoring or medication administration requirements;
  9. Cost comparisons against other drugs available to treat the same medical condition(s); and
  10. Pharmacoeconomic data.
- C. IEHP is a generic mandatory plan. Brand name products, when generics exist, are available through the Pharmacy Exception Request (PER) form along with justification of use and proven failure of the generic version.

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- D. Selected medications have FDA-approved generic equivalents available. IEHP mandates generic dispensation for all quality generic products. Quality generic medications are those medications that have received an “AB” rating by the FDA. IEHP only allows payment for “AB” rated generic medications. Lower quality generics are not covered by the IEHP formulary. This mandate is enforced by the use of an NDC block at the point of sale.
- E. Exceptions to the mandatory generic formulary are as follows:
1. Carbamazepine (Tegretol, Digoxin (Lanoxin));
  2. Levothyroxine (Levothroid, Levoxyl, Synthroid);
  3. Oral Contraceptives;
  4. Phenytoin (Dilantin);
  5. Valproic Acid/Divalproex Sodium (Depakene/Depakote); and
  6. Warfarin (Coumadin).
- F. Selected medications have step-therapy protocols. Step-therapy protocols are built under clinical evidence based review and are approved by the IEHP P&T Subcommittee. Such medications are non-formulary, and if the prerequisite criteria are met, the claims are allowed without prior authorization. Angiotensin Receptor Blockers, and COX-2 Inhibitors are examples of medications that have built-in step-therapy protocols.
- G. IEHP P&T Subcommittee meets quarterly or as needed to update the formulary by reviewing:
1. Medical literature including clinical trials (i.e., MEDLINE search, and Cumulated Index Medicus database search);
  2. Relevant findings of government agencies, medical and pharmaceutical associations, national institutes of health, and regulatory body publications,
  3. Relevant patient utilization and experience;
  4. Current therapeutic guidelines and the need for revised new guidelines; and
  5. IEHP provider and practitioner recommendations for addition or deletion of drugs to the formulary.
- H. The IEHP Formulary and Treatment Guide is published in a booklet format and issued annually to all IEHP Providers. The most current version can also be found on the IEHP website at [www.iehp.org](http://www.iehp.org).
- I. When necessary, between annual publications, IEHP notifies its practitioners and Providers in writing about the formulary additions, deletions, Code-1 restriction changes, and policies and procedures modifications.

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### A. Formulary Management

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- J. Requests for formulary additions should be submitted to the P&T Subcommittee on the IEHP Request for Addition/Deletion of a Drug to the Formulary (see Attachment 11-1 in Section 11, “Attachments”). The request is reviewed by the IEHP Chief Medical Officer and placed on the next P&T agenda unless a similar request has been recently reviewed by the Subcommittee.
- K. Copies of the Formulary may be obtained by contacting the following:
1. For Members – IEHP Member Services Department at 1-800-440-IEHP (4347); or
  2. For Providers and Practitioners – IEHP Pharmaceutical Services Department at (909) 890-2049.
  3. The Formulary is also available to Providers and Members through the IEHP website (<http://ww2.iehp.org/IEHP/Providers/Pharmaceutical+Services>).
- L. All new IEHP practitioners and pharmacists receive a copy of the formulary in their orientation materials.

INLAND EMPIRE HEALTH PLAN		
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## 11. PHARMACY

### B. Prior Authorization For Non-Formulary Medications

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#### **APPLIES TO:**

- A. This policy applies to all IEHP Medi-Cal Members.

#### **POLICY:**

- A. All non-formulary medications require prior authorization utilizing the Pharmacy Exception Request (PER) form.
- B. PERs are not required when medications are used in emergent or urgent circumstances.
- C. All PERs must contain information that supports the medical necessity of a non-formulary drug or a Code 1 drug that does not meet criteria. In addition, all PERs must include previous successful or failed therapies, any allergies, or any other clinical condition when applicable.
- D. All requests are reviewed and acted on within 24 hours Monday - Friday 8am to 5pm. Pharmacists and other practitioners are encouraged to exercise appropriate professional and clinical judgment when determining whether to dispense medications pending PER approval. IEHP reimburses pharmacies that dispense a sufficient supply of medication to last until the PER has been reviewed.
- E. Request for cash reimbursements are considered as Pharmacy Exception Requests. The request may be considered up to one year from the date of service.
- F. Unless specifically noted differently on the PER, all approvals expire after two years.

#### **PROCEDURES:**

- A. IEHP supplies all practitioners with the Pharmacy Exception Request (PER) form and instructions for its use (see Attachment 11-2 in Section 11, “Attachments”).
- B. PER forms are used for the following:
  - 1. Drugs or dosage forms not included in the IEHP formulary.
  - 2. Code 1 drugs used for treatment of conditions or criteria other than those specified by their restrictions.
  - 3. Branded drugs when generic is available. Exceptions are:
    - a. Carbamazepine (Tegretol)
    - b. Digoxin (Lanoxin)
    - c. Levothyroxine (Levothroid, Synthroid)
    - d. Phenytoin (Dilantin)
    - e. Valproic Acid/Divalproex Sodium (Depakene/Depakote)

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### B. Prior Authorization For Non-Formulary Medications

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- f. Warfarin (Coumadin)
- 4. Prescriptions for formulary drugs that do not comply with missed Dose/Duration/or Quantity guidelines (as outlined in the IEHP formulary).
- C. PER forms are submitted via the IEHP website ([www.iehp.org](http://www.iehp.org)).
- D. “White out” or any other type of correction fluid(s) is not to be used on any part of the PER form.
- E. Members on medications that are deleted from the formulary by the Pharmacy and Therapeutics Subcommittee may continue to receive the medications if the prescribing physicians continue to prescribe the medications for the Members.
- F. IEHP staff reviews individual medication requests; thoroughly surveys the Member’s existing medication regimen, previous successful or failed therapies, any allergies, or any other clinical condition when applicable; and either approves, modifies, defers, or denies the request.
  - 1. **Request Approved:** An approval code is entered into the claims processing system to allow the claim to adjudicate on-line for the span of the approval period (maximum 6 months).
  - 2. **Request Modified:** Exception request approved with modifications as indicated. Approval code is entered into the claims processing system to allow the claim to adjudicate on-line within the modified IEHP approved parameters.
  - 3. **Request for More Information:** There is insufficient information to make a judgment as to the appropriateness of the request. The submitting provider is required to forward the documentation requested within 72 hours or the request is denied.
  - 4. **Misdirected:** Exception request was submitted to IEHP by mistake.
  - 5. **Request Denied:** Documentation provided did not meet approval guidelines.
- G. The IEHP Clinical Pharmacist consults with the appropriate specialists as part of the decision process for requests involving unusual or clinically complicated conditions.
- H. Prior to denying a request, the IEHP Clinical Pharmacy staff consults with the prescribing physician to offer an alternative pharmacotherapeutic regimen, and to discuss the specific reason for the denial.
- I. The IEHP Clinical Pharmacy staff discusses the requests that are found to be medically unjustifiable with the Clinical Pharmacist prior to denying them. The IEHP Director of Pharmaceutical Services and/or the Clinical Pharmacist sign all denied PERs.
- J. A copy of the response is faxed back to the requesting practitioner.

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### B. Prior Authorization For Non-Formulary Medications

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- K. The IEHP compensation plan for Clinical Pharmacy staff who provide utilization review services does not contain incentives, direct or indirect, for these individuals to make inappropriate review decisions.
- L. In the event that timely completion of the written PER form by the practitioner is not possible, IEHP Clinical Pharmacy staff authorize the request over the telephone and document the information for logging into the database.
- M. After business hours, on weekends, and holidays, pharmacy providers should dispense a sufficient supply of formulary and non-formulary medication to IEHP Members when medically necessary. IEHP reimburses pharmacies for any doses dispensed even in the event of a denial of the PER.
- N. The final authority for obtaining medications not included in the IEHP formulary rests with the IEHP Chief Medical Officer. All documents and written materials are forwarded to the Chief Medical Officer for review if an appeal is filed by the prescribing physician, IPA, pharmacist, Member, or Member's responsible party.

INLAND EMPIRE HEALTH PLAN		
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## 11. PHARMACY

### C. Medication Handling Requirements at PCP Sites

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#### **APPLIES TO:**

- A. This policy applies to all Primary Care Physicians who treat IEHP Medi-Cal Members.

#### **POLICY:**

- A. IEHP requires that the staff at any PCP site dispensing medication follow all applicable policies and procedures. The PCP is responsible for monitoring and tracking all dispensing of medications performed on-site.
- B. To ensure proper handling and storage of pharmaceuticals at Primary Care Physician (PCP) offices.
- C. To ensure that all applicable statutory or regulatory standards regarding medication handling and storage are followed and maintained at the PCP offices.

#### **PROCEDURES:**

- A. All stock and sample drugs must be checked monthly for their expiration dates.
- B. A physician who dispenses drugs must store all drugs to be dispensed in an area that is secure (B&P § 4172).
  - 1. A secure area must be a locked storage area within the physician's office.
  - 2. The area must be secure at all times.
  - 3. The keys to the locked storage area must be available only to staff authorized by the physician.
- C. All records for dispensing of medications must be open to inspection at all times during business hours by authorized individuals, and must be preserved for at least three years.
- D. Storage areas must meet the following requirements:
  - 1. Drug storage areas must be neat and clean.
  - 2. All medications must be properly labeled with expiration date and lot number.
  - 3. Oral and injectable medications must be stored separately from medications intended for external use.
  - 4. All medications must be stored in a locked cabinet with access only by authorized persons.
- E. Physicians dispensing medications to Members in their offices must meet the following requirements (B&P § 4172, 4170 and Title 16, CCR § 1356.3):

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### C. Medication Handling Requirements at PCP Sites

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1. The medication is dispensed to the physician's own patient and the drugs are not furnished by a nurse or attendant.
  2. The medications are necessary in the treatment of the condition for which the physician is attending the patient.
  3. Physicians must record the disposition of medications and keep them for at least three years.
- F. Any medication stored in a refrigerator must be completely separate from food or other items in the refrigerator. This can be accomplished by having a separate refrigerator for medications, or by storing medications in a separate container within the refrigerator.
- G. The temperature of a refrigerator should be maintained at 35 to 46 degrees F or 2 to 8 degrees C.
- H. The temperature of a freezer must be maintained at 7 degrees F or -14 degrees C.
- I. The temperature of a freezer must be maintained at 5 degrees F or -15 degrees C if storing varicella vaccine (Varivax).
- J. Daily temperature logs for freezer and refrigerator must be maintained.
- K. Needles and syringes must be kept in locked secure cabinets.
- L. All medication is considered good through manufacturer's expiration date; however, physician offices must consider the integrity of the vial and its effect on the potency, and/or sterility of the medication before each use.
- M. Compliance with IEHP medication handling requirements is monitored during Department of Health Care Services (DHCS) required facility reviews, as described in Policy 6A, "Site Review and Medical Records Review Survey Requirements and Monitoring."

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## **11. PHARMACY**

### **D. Code 1 Medications**

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#### **APPLIES TO:**

- A. This policy applies to all IEHP Medi-Cal Members.

#### **POLICY:**

- A. Code 1 medications are restricted to specified medical conditions, age group, and/or other specific circumstances.
- B. All Code 1 drugs and specific requirements for their use are printed in the IEHP formulary (see Attachment 11-3 in Section 11, “Attachments”).
- C. Physicians who write prescriptions for Code 1 drugs must document, on the prescription, the Member’s diagnostic or clinical condition that fulfills the Code 1 restriction.
- D. The dispensing pharmacist is responsible for verifying that applicable Code 1 requirements have been met.
- E. Approval for use of Code 1 medications not meeting the IEHP approved Code 1 requirements for use may be obtained by submitting a Pharmacy Exception Request (PER) form.

#### **PROCEDURES:**

- A. The dispensing pharmacist must confirm through drug history or contact with the prescriber that all applicable Code 1 requirements have been met. (Refer to the IEHP website for a current list of Code 1 medication requirements.) The pharmacist must document this information, and make available all such records for desktop or in-store audits.
- B. Once verifications of requirements have been performed, the pharmacist should enter the appropriate override code indicating that the requirements have been met.
- C. All Code 1 documentation is subject to desktop and in-store audits. Payment for prescriptions processed using the override code for which the appropriate documentation is not available, may be recovered from the dispensing pharmacy.
- D. IEHP pharmacy staff produces monthly utilization reports for Code 1 medications. The Chief Medical Officer, Director of Pharmaceutical Services, Pharmacy and Therapeutics Subcommittee, and other committees as necessary review these reports.
- E. Authorization for dispensing Code 1 medications used for treatment of conditions or criteria other than those specified by their restriction may be obtained by submitting PERs. Refer to Policy 11B, “Prior Authorization for Non-Formulary Medications.”
- F. IEHP reviews Code 1 status of specific medications as needed at Pharmacy and Therapeutics Subcommittee meetings.

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## 11. PHARMACY

### D. Code 1 Medications

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## 11. PHARMACY

### E. Physician Profiling Program

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#### **APPLIES TO:**

- A. This policy applies to physicians who treat IEHP Medi-Cal Members.

#### **POLICY:**

- A. IEHP has developed a program to monitor prescribing patterns according to clinically efficacious, cost-effective principles.
- B. The Physician Profiling Program increases the physician's awareness of their own performance relative to peers or established goals.
- C. IEHP distributes quarterly physician profiling reports to the top 100 prescribers by prescription volume.

#### **PROCEDURES:**

- A. The Physician Profile contains information on prescription utilization, prescription cost, utilization by specific high volume drug agents, and therapeutic classes.
- B. IEHP Clinical Pharmacist evaluates the top 100 highest volume prescribers.
- C. Each physician profile indicates whether or not that physician is an outlier compared to peers and overall prescribing partners.
- D. Physician outliers are defined as follows:
- |            |                |   |
|------------|----------------|---|
| Bottom 10% | in terms of... | % Generic Rxs   |
| Top 10%    | in terms of... | % Code 1 Drugs<br>% DEA Controlled Rxs<br>% Prior Authorization Rxs |
| Top 10%    | in terms of... | % Patients with > 8 Rxs   |
- E. To improve performance, IEHP highlights the meaning of the profiles for the prescribers by defining all the terms in the profile and including sample reports in the mailing packets.
- F. IEHP's Clinical Pharmacist provides an educational outreach program designed to reduce inappropriate drug prescribing. Higher-volume prescribers are targeted through utilization reports.

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## 11. PHARMACY

### E. Physician Profiling Program

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- G. IEHP's Clinical Pharmacist conducts academic detailing (one-to-one visits) to providers to disseminate information and increase knowledge in an attempt to change behavior patterns.
- H. IEHP reinforces the visits by mailing printed materials to providers after each academic detailing.

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## 11. PHARMACY

### F. Pharmacy Reports

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#### APPLIES TO:

- A. This policy applies to all IEHP Medi-Cal Members.

#### POLICY:

- A. IEHP reviews specific pharmacy reports on a monthly basis.
- B. The purpose of these reports is to identify high-risk IEHP patients through pharmacy data.
- C. IEHP Clinical Pharmacist contacts Members identified through the pharmacy reports and perform clinical intervention. Clinical intervention includes consultation, evaluation, and communications with the Members/Providers.

#### PROCEDURES:

- A. Pharmacy reports include:
1. Max dose reports;
  2. Members who use 3 or more pharmacies;
  3. Members who use 3 or more physicians;
  4. Members who obtain same therapy from 3 or more pharmacies/physicians; and
  5. Therapeutic duplication reports on all major therapeutic classes
- B. Medication Therapy Management report includes:
1. Members who use 5 or more chronic medications, including anti-diabetics, anti-convulsants, cardiac, anti-hypertensives, anti-asthmatics, and biologics.
- C. All reports include patient's last and first name, IEHP ID number, gender, date of birth, physician California license number, medication brand name, dosage form, drug strength, service date and quantity.

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## 11. PHARMACY

### G. Emergency Department and Hospital Inpatient Discharge Medication Requirement

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#### **APPLIES TO:**

- A. This policy applies to all IEHP Medi-Cal Members.

#### **POLICY:**

- A. IEHP ensures that Members have timely access to pharmacy services upon discharge from the Emergency Department (ED) or Hospital in-patient unit.
- B. Discharge medications (starter pack) may be provided by the Hospital or ED, or be accessed in one of the 24 hours pharmacies within the IEHP Pharmacy Network.
- C. IEHP allows pharmacists to provide short term supply of formulary medications until the next business day without risk.
- D. IEHP monitors grievance cases and reports (under Access/medication – “Emergency discharge meds” report) to ensure coverage is adequate.
- E. IEHP monitors 24 hours pharmacy geo-access report bi-annually to ensure coverage is adequate.
- F. The 24-hour nurse advice line provides 24-hour pharmacy locations for Members needing urgent pharmacy services.

#### **PROCEDURES:**

- A. When the course of treatment provided to an IEHP Member in the ED requires the use of medications, a sufficient quantity of such medications may be provided to the Member to last until the Member can reasonably be expected to have a prescription filled at an IEHP network pharmacy. In the event such pharmacy service is not available in the hospital or ED, IEHP Member may obtain the medication through one of the 24 hour Pharmacies.
- B. To monitor compliance, on a quarterly basis, IEHP will report grievances related to medication access upon discharge to the Grievance Committee.
- C. On an bi-annual basis, IEHP monitors the Geo Access report to ensure adequate 24-hour pharmacy coverage around the contracted hospitals and EDs.
  - 1. The standard is a 24-hour pharmacy within 10 miles of all hospitals.
  - 2. The Geo-Access Report and list of 24-hour pharmacies, which includes pharmacy names, hours, addresses and phone numbers, will be presented to the IEHP Pharmacy and Therapeutics Subcommittee for review.
- D. The starter-pack medication label must include the following information:
  - 1. Patient name;

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## 11. PHARMACY

### G. Emergency Department and Hospital Inpatient Discharge Medication Requirement

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2. Medication name, dosage, and quantity;
  3. Direction for use;
  4. Date;
  5. Name of the prescribing physician;
  6. Physician's signature; and
  7. Medication expiration date
- E. Members receiving starter-pack or other medications must receive medication counseling prior to discharge.
- F. Pharmacy Exception Request (PER) forms are not required when medications are used in emergent or urgent circumstances. Please refer to Policy 11B "Prior Authorization for Non-Formulary Medications," for further details.

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## **11. PHARMACY**

### **H. Pharmacy and Providers Policies and Procedures Summary**

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#### **APPLIES TO:**

- A. This policy applies to all IEHP contracted Pharmacy Providers.

#### **POLICY:**

- A. In addition to the Provider Manual- Pharmacy section, IEHP Contracted Pharmacy Providers must provide pharmacy services according to the policies and procedures listed on the Quick Reference Guide.

#### **PROCEDURE:**

- A. The following Quick Reference Guide is distributed to the IEHP Contracted Pharmacy Providers:

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## 11. PHARMACY

### H. Pharmacy and Providers Policies and Procedures Summary

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#### **Pharmacy Provider Quick Reference Guide**

- A. Member Eligibility Verification- Contracted pharmacies are required to verify eligibility and provide pharmacy services to IEHP Members in accordance with the Pharmacy Agreement with IEHP's contracted Pharmacy Benefit Management (PBM) Company
1. Pharmacy staff should ask for Members' ID card to verify eligibility.
  2. If the Member is shown not eligible via online transmission (point-of-sales), call the Medi-Cal Automated Eligibility Verification System (AEVS) at 1-800-456-2387, or IEHP IVR hotline at 1-800-440-4340.
  3. If the Member is eligible according to the Eligibility verification system, contact IEHP Pharmaceutical Services Department.
- B. Prior Authorization
1. Pharmacy Provider may submit Pharmacy Exception Request Form to IEHP (All required information must be provided, including medical justification).
  2. PERs may be submitted online at [www.iehp.org](http://www.iehp.org) (please call IEHP to obtain login password).
  3. PERs are reviewed and determined (approved, denied or misdirected) within 1 business day if all necessary information is provided.
- C. Emergency supplies- pharmacists are allowed to dispense up to 72 hours of supplies of any non-formulary medications under emergent situation. Pharmacist should document the "emergent situation" and submit the information to IEHP for approval.
- D. Newborns- Newborns are covered for the month of birth and the following month, provided their mother is an eligible IEHP Member. Pharmacies may submit claims for the Newborns by using mother's IEHP Member ID Number, the mother's full name, and date of birth. Newborns' eligibility after one month will be determined by Medi-Cal eligibility requirements.
- E. Coordination of Benefits (other primary payors) - IEHP Members may have prescription coverage through other payment sources. If Member has other primary health insurance coverage, pharmacy providers must submit claims to the other payment source first. IEHP is the payer of last resort for coordination of benefits claims. IEHP is responsible for co-insurance, and co-payments only after all prior authorization processes through the primary payer have been exhausted. All COB claims must be submitted electronically to the PBM. Please refer to the PBM's payer sheet for instruction.
- F. Coordination of Benefits (Medicare) - Medicare is the primary payer for Medi-Medi patients. Medicare crossover claims (from Part B) must be submitted electronically to the PBM.

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## 11. PHARMACY

### H. Pharmacy and Providers Policies and Procedures Summary

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- G. IEHP cannot cover co-payments for covered Medicare Part D drugs (from any Medicare Part D plans or IEHP Medicare DualChoice (HMO SNP). IEHP is responsible for excluded Part D Drugs only.
- H. The State law requires Medi-Cal Members and Providers to notify the Department of Health Care Services (DHCS) if they believe a member has “other health coverage.” Providers may also contact IEHP Pharmaceutical Services Department regarding the coverage information.
- I. Under no circumstances may a Medi-Cal recipient (including IEHP Members) be billed or charged directly for after hours or delivery services.
- J. California Children’s Services - The California Children’s Services (CCS) Program covers children with certain physical limitations and chronic health conditions or disease through their 21<sup>st</sup> birthday. Covered services include physician services, drugs, and specialty medical care. The CCS authorization (SAR- service authorization request) includes coverage for prescribed medications used to treat the CCS eligible condition. All CCS covered services (services or medications) for CCS eligible conditions must be submitted to CCS as the primary payor.
- K. Claims Submission- Contracted Pharmacies should use the following billing information to submit claims online via the PBM:
1. IEHP MEDICARE DUALCHOICE (HMO SNP) (For all Part D covered drugs)  
*PCN: 04110000*  
*BIN: 012353*
  2. IEHP MEDI-CAL, HEALTHY FAMILIES, & HEALTHY KIDS  
*PCN: 02550000*  
*BIN: 600428*
- L. National Provider Identifier (NPI) - Pharmacies must submit Pharmacy’s NPI number and Prescriber’s NPI number on each pharmacy claim.
- M. Prior Authorization Submission Timeliness Guidance for Retroactive Pharmacy Exception Request- A retroactive PER may be considered for review only under the following conditions:
1. If the request is received within 90 days of the date the drug was dispensed (retail pharmacy); or
  2. If the request is received within 10 days of the date from the date of service for SNF or outpatient non-retail pharmacy settings (i.e. dialysis center, outpatient infusion center).

Retroactive PER requests must include all medical justifications and cannot be submitted as urgent.

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## 11. PHARMACY

### H. Pharmacy and Providers Policies and Procedures Summary

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- N. Compounded Prescription for Non-Injectable Use - Compounded prescription (non-injectable) request must be submitted to IEHP using the PER form and the Compounded Drug Information Sheet. The reimbursement will be determined using the information provided on the Compounded Drug information sheet. Pharmacist should provide the active ingredients used in the Compounded Prescription for authorization review.
- O. Home Infusion Pharmacy
1. IEHP Members (IPA)
    - a. Drugs and drug-related per diem codes (i.e. TPN, antibiotics)- submit to IEHP
    - b. Home Infusion Supplies and administration- prior authorization and claims must be submitted to IPA
  2. IEHP Members (IEHP Direct)
    - a. Drugs and drug-related per diem codes (i.e. TPN, antibiotics)- submit to IEHP
    - b. Home Infusion Supplies and administration- submit to IEHP
  3. IEHP Medicare DualChoice (HMO SNP) Members
    - a. Home infusion drugs are covered under Part D. Part B covered drugs is covered by IEHP
    - b. Home Infusion Supplies and administration- prior authorization and claims must be submitted to IEHP
- P. Lost or Stolen Medication/ Vacation Override
1. Lost or stolen medication may be approved for no more than a 30-day supply. Only one replacement will be approved per Member per calendar year. Pharmacy should inform the Prescriber if the lost/stolen medication is a narcotic medication.
  2. Pharmacy may submit vacation override on behalf of a Member by submitting PER to IEHP. Only one vacation override will be approved per Member per calendar year.
- Q. Pharmacy Audit - IEHP conducts Pharmacy Audits on a monthly basis (desktop and onsite) to ensure compliance with IEHP Pharmaceutical Services Policies and Procedures. IEHP may request Pharmacies to submit Corrective Action Plan (CAP) based on the results of the Audit. Pharmacies that are found to be consistently non-compliant may be terminated from the network.
- R. Pharmacy Complaints and Grievance - Pharmacy must respond to IEHP's complaints and/or grievance requests in writing within 5 business days. Late responses will not be submitted to the IEHP Grievance Department for consideration. Pharmacies that are

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## 11. PHARMACY

### H. Pharmacy and Providers Policies and Procedures Summary

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found to have a high unresolved grievance and complaint rates may be terminated from the network.

#### S. Return to stock /Auto-fill/ Claim Reversal Policy

1. Pharmacies should reverse all prescriptions filled and submitted for payment, but not picked up by the Member within 14 calendar days of date of service. Claims that are not reversed according to this policy are subject to recoupment via onsite and desktop audit.
2. All refill requests must be requested by the Member. Pharmacies are not allowed to auto-fill and submit claims to IEHP without Member's consent. Pharmacies will be subject to audit for compliance purposes.

#### T. Signature Log Requirement

1. The Pharmacy must maintain a signature log at all time. The Pharmacy must obtain signature from the Member during pick up (Members' ID must be verified). The log must contain the prescription number or a description of the drugs dispensed, the signature, and the date the medication was picked-up. The Pharmacy must make the signature log record available for a minimum of five years for audit purposes.
2. Delivery log- For drugs that are delivered to the Member's home, a signature must be obtained.

#### U. All prescription records and documentation including signature logs must be retained for ten years per Centers for Medicare and Medicaid Services (CMS) regulations.

INLAND EMPIRE HEALTH PLAN		
<b>Chief Approval:</b>	<b>Effective date:</b>	January 1, 2010
<b>Chief Title:</b> Chief Medical Officer	<b>Revised date:</b>	January 1, 2012

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## 11. PHARMACY

### I. Insulin Administration Devices and Diabetes Testing Supplies

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#### **APPLIES TO:**

- A. This policy applies to all IEHP Medi-Cal Members.

#### **POLICY:**

- A. Insulins and Glucagon Emergency Kit are covered by the IEHP pharmacy benefit.
- B. Syringes and needles are the insulin administration devices covered under the IEHP pharmacy benefit. Insulin pen devices require the submission of a pharmacy exception request (PER).
- C. Insulin pumps fall under IPA/Hospital's financial responsibility.
- D. Diabetes testing supplies are covered under the IEHP pharmacy and medical benefit. This includes blood glucose meters, test strips, lancets, urine test tape and tablets, ketone test strips and acetone tablets.

#### **PROCEDURE:**

- A. For Members with special medical needs, a pharmacy exception request (PER) must be submitted for all insulin pen devices (see Attachment 11-2 in Section 11, "Attachments"). See Policy 11B, "Prior Authorization for Non-formulary Medications."
- B. Diabetes testing supplies, including glucometer, test strips and lancets may be obtained through retail pharmacies or through IEHP Diabetes Self-Management Program.
- C. IEHP covers diabetic testing supplies using the criteria approved by the IEHP Pharmacy and Therapeutics Subcommittee.
- D. IEHP Members may participate in IEHP Diabetes Self-Management Program. The program provides test strips, and lancets through mail order vendor. The selected vendor provides comprehensive diabetes care program (diabetes educational materials, outreach program, health fair) to the participants. The selected vendor is required to perform monitoring measures at least on a quarterly basis. The selected vendor is also required to report all measures to IEHP.

INLAND EMPIRE HEALTH PLAN		
<b>Chief Approval:</b> <i>Signature on file</i>	<b>Effective date:</b>	January 1, 2011
<b>Chief Title:</b> Chief Medical Officer	<b>Revised date:</b>	

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## 11. PHARMACY

### J. Member Request for Pharmacy Reimbursement

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**APPLIES TO:**

- A. This policy applies to all IEHP Medi-Cal Members.

**POLICY:**

- A. IEHP Members may submit Pharmacy Reimbursement Requests to get reimbursement for drugs or services covered by IEHP. All Member Reimbursement Requests are subject to IEHP Pharmacy Exception Request process.

**PROCEDURE:**

- A. Members must submit the Pharmacy Reimbursement Request form (see Attachment 11-4 in Section 11, "Attachments"), a copy of the cash register receipt, and a copy of the pharmacy print out to IEHP for review.
- B. The Pharmacy print out must contain pharmacy name, address, phone, medication name, strength and form, the national drug code (NDC), date of service, Prescriber's full name, quantity, and the total amount paid.
- C. The Request form must be submitted within 1 year from the date of service.
- D. The Request form must be signed by the Member.
- E. All Requests will be evaluated based on the medical necessity and the justification of the request within 30 days upon the receipt of the request.
- F. If IEHP denies the Member Reimbursement Request, the Member will receive a denial notification from IEHP.
- G. If a Member has shown a pattern of by passing Pharmacy Exception Request process, IEHP may notify the Member of the denials of all future reimbursement requests.

<b>INLAND EMPIRE HEALTH PLAN</b>		
<b>Chief Approval:</b> <i>Signature on file</i>	<b>Effective date:</b>	January 1, 2012
<b>Chief Title:</b> Chief Medical Officer	<b>Revised date:</b>	

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## 11. PHARMACY

### Attachments

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<u>ATTACHMENT</u>	<u>DESCRIPTION</u>	<u>POLICY CROSS REFERENCE</u>
11-1	Request for Addition or Deletion of a Drug to the Formulary	2E, 11A
11-2	Pharmacy Exception Request (PER) Form	11B, 11I
11-3	Code 1 Medications	11D
11-4	Member Reimbursement Form	11J



INLAND EMPIRE HEALTH PLAN

**REQUEST FOR ADDITION OR DELETION  
OF A DRUG TO THE FORMULARY**

**GENERIC NAME:** \_\_\_\_\_ **BRAND NAME:** \_\_\_\_\_

**MANUFACTURER(S):** \_\_\_\_\_

**DOSAGE FORM:** \_\_\_\_\_

**Pharmacological Classification:** \_\_\_\_\_

**Indications:** \_\_\_\_\_

**What similar drugs are currently available?** \_\_\_\_\_

**What therapeutic advantage(s) does this drug have over the standard drug therapy?** \_\_\_\_\_

**In how many patients do you expect this drug to be used during the next six months?** \_\_\_\_\_

**What drug(s) currently used for this/these indications(s) may be deleted if this product is added to the formulary?**

\_\_\_\_\_  
\_\_\_\_\_

**Should use of this drug be restricted to certain physicians or institutions because of the potential for misuse, high cost, or toxicity?** \_\_\_\_\_

**REQUESTER'S NAME:** \_\_\_\_\_

**ADDRESS & TELEPHONE:** \_\_\_\_\_

**SIGNATURE OF REQUESTER:** \_\_\_\_\_ **DATE:** \_\_\_\_\_



Please Print

PER #: \_\_\_\_\_  
(For IEHP Use Only)

### PHARMACY EXCEPTION REQUEST (PER) FORM

FAX TO: IEHP

FAX #: (909) 890-2058

**IEHP MEMBER**

Member Name: \_\_\_\_\_ ID#: \_\_\_\_\_ DOB: \_\_\_\_\_ M F  
Other ID: \_\_\_\_\_ Phone#: \_\_\_\_\_

**PHYSICIAN**

Prescribing Physician: \_\_\_\_\_ MD State License #: \_\_\_\_\_ MD Specialty: \_\_\_\_\_  
Contact Name: \_\_\_\_\_ Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

**PHARMACY**

Pharmacy Name: \_\_\_\_\_ Pharmacy NABP #: \_\_\_\_\_  
Contact Name: \_\_\_\_\_ Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

**FORM**

Form Completed By: \_\_\_\_\_ Today's Date: \_\_\_\_\_

**PRESCRIPTION**

Rx #: \_\_\_\_\_ Date of Original Rx: \_\_\_\_\_  
Medication: \_\_\_\_\_  
Strength: \_\_\_\_\_ Quantity: \_\_\_\_\_ Refills Remaining: \_\_\_\_\_  
NDC #: \_\_\_\_\_ Directions: \_\_\_\_\_  
Diagnosis: \_\_\_\_\_  
Previous Therapy: \_\_\_\_\_  
Medical justification for non-formulary drug: \_\_\_\_\_

Your request is:  Approved  Modified  Request for More Information  Misdirected  Denied

Valid from: \_\_\_\_\_ Expires on: \_\_\_\_\_ Decision by: \_\_\_\_\_ Date: \_\_\_\_\_

**Request for Expedited Review (For IEHP Medicare DualChoice (HMO SNP) Members Only)**

**REQUEST FOR EXPEDITED REVIEW (24 HOURS)**  
▶ BY CHECKING THIS BOX AND SIGNING ABOVE, I CERTIFY THAT APPLYING THE 72 HOUR STANDARD REVIEW TIME FRAME MAY SERIOUSLY JEOPARDIZE THE LIFE OR HEALTH OF THE MEMBER OR THE MEMBER'S ABILITY TO REGAIN MAXIMUM FUNCTION

Please submit Request promptly to avoid any delays in patient care. IEHP will respond to the request within one working day. Providers should exercise appropriate clinical judgment in dispensing medication pending PER approval.

Notice: This facsimile contains confidential information that is being transmitted to and is intended only for the use of the recipient named above. Reading, disclosure, discussion, dissemination, distribution or copying of this information by anyone other than the named recipient or his or her employees or agents is strictly prohibited. If you have received this facsimile in error, please immediately destroy it and notify IEHP Pharmaceutical Services Department by telephone at (888) 860-1297.

P.O. Box 19026, San Bernardino, CA 92423-9026  
Tel (888) 860-1297 Fax (909) 890-2058  
Visit our web site at: [www.iehp.org](http://www.iehp.org)



## CODE 1 DESCRIPTIONS

<u>Drug</u>	<u>Description</u>
Amantadine (Symmetrel®)	Restricted to use in the prevention or treatment of influenza A.
Bromocriptine Mesylate (Parlodel®)	Reserved for the treatment of amenorrhea, galactorrhea and acromegaly.
Cefaclor (Ceclor®)	Reserved for use after failure of first line antibiotic (see amoxicillin tr/potassium clavulanate).
Cefdinir (Omnicef®)	Restricted to use after failure of first line antibiotic therapy.
Cefixime (Suprax®)	Suspension - Restricted to use after failure of first line antibiotic therapy. Tablet – reserved for the treatment of STDs
Ceftibuten (Cedax®)	Restricted to use after failure of first line antibiotic therapy.
Desmopressin (DDAVP®)	Restricted to use in the management of primary nocturnal enuresis.
Levalbuterol (Xopenex®)	Restricted to use by allergists and pulmonologists.
Misoprostol (Cytotec®)	Restricted to use as adjunct therapy with Mifepristone (Mifeprex) as abortifacient. Limit 2 (200mcg) tablets; reserved for use as adjunct therapy only, concurrent NSAID required.
Morphine Sulfate (MS Contin®)	Restricted to use in the treatment of cancer and palliative pain control.
Olopatadine HCL (Patanol®)	Restricted to use after first line therapy failure or prescribed by an ophthalmologist or optometrist (first line therapy include Naphcon-A, Opcon-A, Vasocon-A, and Crolom).
Paromomycin (Humatin®)	Restricted to use in acute and chronic intestinal amebiasis.
Rifabutin (Mycobutin®)	Restricted to use in the prevention of disseminated Mycobacterium Avium Complex (MAC) disease in patients with advanced HIV infection.
Tretinoin (Retin-A®)	Restricted to use in the treatment of acne vulgaris.

# Inland Empire Health Plan Pharmacy Reimbursement Request



Section 1: Member Information		
Member Last Name	First Name	Contact Number
Member ID	Date of Birth	
Street address		
Section 2: Type of claim		
<input type="radio"/> Medical	<input type="radio"/> Vaccine only	<input type="radio"/> Injection
<input type="radio"/> Prescription	<input type="radio"/> Vaccine and injection	
Section 3: Instructions		
Submit this claim form, a copy of the receipt and Pharmacy print out to IEHP		
Section 4: Required information for claim process		
Your claim receipt/Pharmacy print out must contain the following information in order to be processed for payment. If below the information is not received, your claim cannot be processed and will be denied for missing information.		
<input type="radio"/> Pharmacy name, address, phone	<input type="radio"/> Medication quantity	
<input type="radio"/> Medication name, strength and form	<input type="radio"/> Total amount paid for medication	
<input type="radio"/> Date of service (must be within 1 year)	<input type="radio"/> National Drug Code (NDC)	
<input type="radio"/> Prescriber full name		
Section 5: Reason for request		
Section 6: Signature		
The above statements and attachments are true and complete to the best of my knowledge		
X _____	_____	
Signature	Date	

Claim submission is not a guarantee of payment. Non-Formulary medications are subject to prior authorization. Claim must be submitted within 1 year from the Date of Service.

Claim Mailing Address:  
IEHP Member Services Department  
P.O. Box 19026  
San Bernardino  
CA 92423

Questions?  
Call IEHP Member Services:  
1-800-440-IEHP (4347)  
8:00a.m.-8:00p.m. (PST)  
TTY/TDD users should call 1-800-718-4347

Legal Notice: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil and criminal penalties.