

# MI Medicaid Pharmacy Liaison

March 7, 2024



**MISSION:**

Michigan Department of Health and Human Services (MDHHS) provides opportunities, services, and programs that promote a healthy, safe and stable environment for residents to be self-sufficient.

# AGENDA:

## Pharmacy Liaison March 7, 2023



1. Introductions & Budget Update
2. Legislative Updates
3. State Plan Amendment
4. Final Policies Issued
5. Medicaid Provider Manual Updates
6. Departmental Updates & Reminders
  - Paxlovid
  - COVID-19 Vaccine Administration Reimbursement
  - MIPrEP. MIChoice
  - Partial Fills Billing
  - COVID-19 Extensions ending 9/30/2024
7. Web Announcements
8. Single PDL Updates
  - Summary of MI Single PDL Changes – effective 02/01/2024
9. Pharmacy Resources
10. Open Discussion

# BUDGET UPDATE



## 2025 Executive Budget Recommendations

- <https://www.michigan.gov/budget/budget-documents/executive-budget-and-associated-documents>
- MDHHS Budget Proposed: \$37.6 billion, made up of \$6.6 billion in General Fund money, and \$112 million in one-time funding.
- Overall decrease from (current year) Fiscal Year 2024.
- MDHHS 5.5% increase from (current year) Fiscal Year 2024.

## Notable Items – Boilerplate Language Includes:

- \$30.5 million for allocation for pre-release Medicaid services to incarcerated individuals, intended to reduce reliance on emergency medical services
- Increase in PBM Transparency through reporting
  - Number prescriptions dispensed, aggregate paid pharmacy claims priced at WAC, Rebates, Discounts, Price Concessions, etc.
  - MDHHS has been reporting this in prior years as a boilerplate requirement
- 42.8% increase in vaccine administration fees
  - Incentivizing increase for provider participation in the Vaccines for Children program.

# Legislative Updates - PDAB

- [Prescription Drug Affordability Board \(PDAB\)](#)
- [SB 483](#) - Pharmaceuticals: Creates prescription drug cost and affordability review act.
- [SB 484](#) - Health Insurers: Requires compliance with the prescription drug cost and affordability review act.
- [SB 485](#) – Medical Services: Requires compliance with the prescription drug cost and affordability review act.
- A summary of all 3 of these bills, by the Committee on Finance, Insurance, and Consumer Protection can be found here:
  - [2023-SFA-0483-C.pdf \(mi.gov\)](#)

# Legislative Introductions:

- [HB 5338](#) – Prescription Drugs: Provides an enrollee's defined cost sharing for prescription drugs.
  - Provides an enrollee's defined cost sharing for prescription drugs at the point of sale based on a price that is reduced by an amount equal to 100% of all rebates received, or to be received, in connection with the dispensing or administration of the prescription drug.
- [HB 5339](#) – Health Benefits: Modifies coverage for step therapy.
  - Utilizes clinical review criteria that are based on clinical practice guidelines and account for the needs of an atypical patient population and diagnosis.
- [HB 5340](#) – Prescription Coverage: Provides coverage of for PrEP and PEP prescriptions.
  - Removes cost sharing from insurer for FDA-approved products for pre-exposure prophylaxis with effective antiretroviral therapy for the reduction of risk of HIV.
- [HB 5350](#) - Pharmaceuticals: Prohibits drug manufacturers from engaging in certain conduct with pharmacies participating with a 340B program.
  - referred to Committee on Insurance and Financial Services on 01/10/24
- [HB 5458](#): Requires Medicaid Managed Care Organizations to Participate in Sickle Cell Disease Program
- [HB 5435](#): Insurance Coverage for pharmacist prescribing hormonal contraceptives; require.
- [HB 5436](#): Allow pharmacists to prescribe and dispense certain contraceptives

# Legislation Passed

- [HB 4276](#) – Became Public Act 279 of 2023, 12/31/2023.  
Effective 2/13/2024
- Regulates Medicaid managed care contract with pharmacy benefit managers and requires annual reporting and establishes minimum reimbursement methodology for payment to ‘Michigan’ pharmacies with not more than 7 retail outlets. Creates statutory requirement (instead of former boilerplate), presented to Gov for signing 11/27/23
  - *The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Michigan Medicaid managed care organizations.”*
  - Clarification: If there is an individual and or company (through common ownership or otherwise) *with 7 or fewer retail outlet pharmacies in Michigan*, that are licensed and registered in Michigan, they are eligible for the higher reimbursement.
- CHAMPS Taxonomy needs to be: **Community/Retail Pharmacy**
  - 3336C0003X
  - [ProviderEnrollment@michigan.gov](mailto:ProviderEnrollment@michigan.gov)
- Pharmacies can contact [MDHHSPharmacyServices@michigan.gov](mailto:MDHHSPharmacyServices@michigan.gov) for questions about the Department’s NPI list.

# State Plan Amendment

- MDHHS has one State Plan Amendment scheduled for decision by CMS no later than April 15th.
- It's not specific to Medicaid Pharmacy, but it allows for continuation of Medicaid and MIChild eligibility up to 19 years of age. It used to be 18.

# Final Policies Issued



- **[MMP 23-71](#): Healthy Michigan Plan Program Changes**

- Effective: January 1, 2024
- MDHHS also sent out a communication to providers via email

## **Cost Sharing Changes**

- Copayments may be required and due at the point of service for beneficiaries aged 21 years and older.
- Beneficiaries will no longer use the MI Health Account to pay their required cost sharing.
- When a health care service is subject to a copayment, HMP beneficiaries will pay at point of service.
- Copayment exceptions for services related to chronic conditions are being discontinued.
- Cost-sharing exemptions for medically frail individuals will be discontinued.
  - a. Beneficiaries enrolled in HMP will not experience any disruptions in their care or reductions in their benefits; however, cost sharing provisions will change as the authority for the waiver that funds HMP expires 12/31/2023.
  - b. Pharmacy copays will then apply equal to Fee for Service: \$1 generic/preferred products, \$3 specialty products
  - c. As a reminder, Beneficiary Co-Payment Requirements can be found [here](#). Providers may not refuse to render services if a beneficiary is unable to pay the co-payment amount at the time the service is provided, nor can they refuse to render future services due to unpaid co-payments unless the MDHHS provider co-payment policy is followed.

1. Removal of Copay Exemptions for Chronic Conditions
  - Applied to HMP Beneficiaries only
  - In the Copay Exclusion Table – you will no longer see the copay exclusions for chronic conditions for HMP beneficiaries
  - As a result of [MMP 23-71](#)
  
2. New Section: Pharmacy Chapter, Section 5.2
  - Titled: Beneficiary Consent Authorizing Enrollment into Automatic Refill Programs
  - As a result of [MMP 23-66](#)

# Departmental Updates - Products



1. EUA Labeled Paxlovid no longer authorized for use after March 8
  - [FDA revises letter of authorization for the emergency use authorization for Paxlovid | FDA](#)
    - EUA-labeled Paxlovid will no longer be authorized for emergency use after March 8, 2024, regardless of the labeled or extended expiration date.
    - Paxlovid EUA will continue to authorize emergency use of Paxlovid manufactured and labeled in accordance with NDA-labeled Paxlovid for the treatment of mild-to-moderate COVID-19 in pediatric patients (12 years of age and older weighing at least 40 kg) who are at high risk for progression to severe COVID-19, including hospitalization or death.
    - This transition began on November 1, 2023, with the introduction of FDA-approved Paxlovid (NDA-labeled Paxlovid).

# Departmental Updates



## 1. Fee Schedules for January 2024 have been posted

<https://www.michigan.gov/mdhhs/> > Doing Business with MDHHS > Go to Doing Business with MDHHS > Health Care Providers > Information for Medicaid Providers > Providers > Billing & Reimbursement > Provider Specific Information > Physicians > Practitioner

- Admin COVID vaccine, single dose \$42.00
- Additional payment for home admin \$37.28

## 2. MDHHS launches “MIPrEP. MIChoice.” campaign to prevent spread of HIV and share prevention information – Jan 16 2024

- <https://www.michigan.gov/mdhhs/inside-mdhhs/newsroom/2024/01/16/prep-campaign>
- “MIPrEP, MIChoice.” campaign - <https://Michigan.gov/MIPrEP>
- PrEP Toolkit with Provider & Patient Resources: <https://www.michigan.gov/mdhhs/keep-mi-healthy/chronicdiseases/hivsti/prep>

# Departmental Reminder



## Partial Billing Policy

### Policy [MSA 08-25](#) Published June 1, 2008

- a) Effective for dates of service on or after July 1, 2008
- b) The partial fill functionality is used when the total quantity of a prescribed drug is not initially dispensed to a beneficiary **due to a shortage in inventory**.
- c) Report the value "P" (Partial Fill) or "C" (Completion of Partial Fill) in the Dispensing Status field (NCPDP field 343-HD).
- d) Dispensing Fees are prorated

Example: **Original Rx Quantity: 90 tablets**  
First Fill Quantity: **69 tablets**  
First Fill Dispensing Fee: **\$8.28**  
Completed Fill: **21 tablets**  
Completed Fill Dispensing Fee: **\$2.52**  
Total Dispensing Fee Paid: \$10.80

There are other policy details that should be reviewed prior to submitting Partial Fill claims.

# Departmental Reminder – COVID-19 Extensions Ending 9/30



COVID-19 Extensions are ending on 9/30/2024. This impacts:

1. Provisions without cost sharing
  - a) COVID-19 Home Tests up to 1 per day
  - b) COVID-19 Vaccines and Treatments
  - c) Coverage for a condition that may seriously complicate the treatment of COVID-19
2. Increased administration reimbursement of COVID-19 vaccines to 100% Medicare rate

Confirmation of, or any changes to these, will be provided to pharmacy providers prior to September 30<sup>th</sup>.

# Web Announcements



## Transition to Commercial COVID Anti-Virals

- Starting March 9<sup>th</sup>, the Paxlovid oral anti-viral products procured by the U.S. Government will no longer be available for dispensing. For dates of service on or after March 9<sup>th</sup>, pharmacies should procure and submit claims for the commercial NDCs.
- We are currently developing additional coding to add NCPDP 77 - Discontinued/Product Service ID to any Paxlovid EUA rejections on or after this date.
- Until then claims for Paxlovid EUA products will reject with NCPDP 70 - Product/Service Not Covered.

# Single PDL Updates



## Single PDL & Brand Over Generics: Effective 2/1/2024

1. Brand over Generic List can be found here:  
<https://michigan.magellanrx.com> > Providers > Documents
2. Quarterly, the MCO Common Formulary workgroup provides recommendations on Single PDL coverage for P&T Workgroup consideration. The P&T Committee makes clinical recommendations for both the Michigan Pharmaceutical Product List (MPPL) and the subset of drugs on the Single PDL.
3. New quarterly web posting 'Summary of PDL changes' to better inform prescribers and pharmacies.
  - a. <https://michigan.magellanrx.com> > "Recent Changes – MI Single Preferred Drug List (Single PDL)"
4. The next quarterly PDL updates will take effect May 1, 2024.

# Pharmacy Resources



- MDHHS Policy Bulletins:  
[www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) > Policy, Letters & Forms
- Web Announcements: <https://michigan.magellanrx.com>
- Magellan Technical Call Center Phone: **877-624-5204**
- MDHHS Pharmacy Services Contact:  
[MDHHSPharmacyServices@Michigan.gov](mailto:MDHHSPharmacyServices@Michigan.gov)
- Laws:
  - [Michigan Public Health Code – general](#)
  - [Michigan Public Health Code – pharmacy](#)
- Rules: [Michigan Administrative Code – pharmacy rules](#)

# 2024 Pharmacy Liaison Meetings



- Thursday, June 6, 2024
  - Thursday, September 5, 2024
  - Thursday, December 5, 2024
1. Pharmacy Liaison Meeting Listserv
    - a. All meeting requests have been sent out
    - b. Requests for agenda items and meeting reminders will be sent, as usual
  2. If attendees should be included our list, please email:  
[goethalsv@michigan.gov](mailto:goethalsv@michigan.gov)

# Open Discussion

