



Medicaid Update

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NYRx Pharmacy Benefit Transition Special Edition – Part One



This publication provides information regarding the New York State (NYS) Medicaid Redesign Team (MRT) II initiative to transition the pharmacy benefit from managed care to the NYRx Pharmacy program, formerly known as the NYS Medicaid fee-for-service (FFS) Pharmacy program. It contains general information regarding NYS transition strategy and other important facts that will assist providers in transitioning NYS Medicaid members to the NYRx Pharmacy program. Future *Medicaid Update* articles will provide additional details and guidance. Detailed information regarding the NYRx Pharmacy program is available on the NYS Department of Health (DOH) "Welcome to the NY Medicaid Pharmacy Program (NYRx)" web page, located at: https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/, which is regularly updated.

General Information

Effective April 1, 2023, NYS Medicaid members enrolled in mainstream Medicaid Managed Care (MMC) Plans, Health and Recovery Plans (HARPs), and HIV-Special Needs Plans (SNPs) will receive their pharmacy benefits through the NYRx Pharmacy program instead of through their MMC Plan. The pharmacy benefit transition to NYRx **does not** apply to NYS Medicaid members enrolled in Managed Long-Term Care (MLTC) Plans [e.g., MLTC, Programs of All-Inclusive Care for the Elderly (PACE), Medicaid Advantage Plus (MAP), the Essential Plan, or Child Health Plus (CHP)]. Transitioning the pharmacy benefit from MMC to NYRx will provide NYS with full visibility into prescription drug costs, allow centralization of the benefit, leverage negotiation power, and provide a uniform list of covered drugs with standardized utilization management protocols simplifying and streamlining the drug benefit for NYS Medicaid members. NYS Medicaid consumers have comprehensive drug coverage and equitable access to an extensive network of over 5,000 pharmacy providers.

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Kathy Hochul
Governor
State of New York

Mary T. Bassett, M.D., M.P.H.
Commissioner
New York State
Department of Health

Amir Bassiri
Medicaid Director
Office of Health Insurance Programs

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Scope of Benefits

The NYRx Drug Benefit change **will not** alter the scope (e.g., copayments, covered drugs, etc.) of the existing NYS Medicaid pharmacy benefit, which includes:

- covered outpatient prescription and over-the-counter (OTC) drugs that are listed on the eMedNY “Medicaid Pharmacy List of Reimbursable Drugs” web page, located at: <https://www.emedny.org/info/formfile.aspx>; and
- pharmacist administered vaccines and supplies listed in the *New York State Medicaid Program – Pharmacy Procedures and Supply Codes* document, located at: https://www.emedny.org/ProviderManuals/Pharmacy/PDFS/Pharmacy_Procedure_Codes.pdf, such as enteral and parenteral nutrition, family planning, and medical/surgical supplies.

The complete list of items subject to the Transition can be reviewed in the *Pharmacy Scope of Benefits* chart, located at: https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/repository/docs/rx_scope_of_benefits.pdf. **Please note:** Physician administered drugs (commonly referred to as J-code drugs) not listed on the eMedNY “Medicaid Pharmacy List of Reimbursable Drugs” web page, located at: <https://www.emedny.org/info/formfile.aspx>, are not subject to the Transition. Additionally, durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) listed in sections 4.4, 4.5, 4.6, and 4.7 of the *New York State Medicaid Program – Durable Medical Equipment, Prosthetics, Orthotics and Supplies – Procedure Codes and Coverage Guidelines*, located at: https://www.emedny.org/ProviderManuals/DME/PDFS/DME_Procedure_Codes.pdf, are not subject to the Transition. All mentioned items will remain the responsibility of the MMC Plans.

Effective April 1, 2023, the following NYRx Programs will also apply to NYS MMC enrollees:

- **Preferred Drug Program (PDP)**

The PDP program, located at: https://newyork.fhsc.com/providers/PDP_about.asp, promotes the use of less expensive, equally effective prescription drugs when medically appropriate. All drugs currently covered by NYS Medicaid remain available under the PDP and the determination of preferred and non-preferred drugs does not prohibit a prescriber from obtaining any of the medications covered under NYS Medicaid. The Drug Utilization Review (DUR) Board, located at: https://www.health.ny.gov/health_care/medicaid/program/dur/index.htm, reviews drug classes and makes recommendations to the Commissioner of Health regarding the selection of preferred and non-preferred drugs within certain drug classes.

- **Brand Less Than Generic (BLTG) Program**

The BLTG program, located at: https://newyork.fhsc.com/providers/bltqp_about.asp, is a cost containment initiative which promotes the use of certain multi-source brand name drugs when the cost of the brand name drug is less expensive to the NYS, than the generic equivalent.

- **Clinical Drug Review Program (CDRP)**

The CDRP, located at: https://newyork.fhsc.com/providers/CDRP_about.asp, is aimed to ensure that specific drugs are used in a medically appropriate manner. Under the CDRP, certain drugs require prior authorization (PA) because there may be specific safety issues, public health concerns, the potential for fraud and abuse or the potential for significant overuse and misuse.

- **Drug Utilization Review (DUR) Program**

The DUR program, located at: https://www.health.ny.gov/health_care/medicaid/program/dur/index.htm, helps to ensure that prescriptions for outpatient drugs are appropriate, medically necessary, and not likely to result in adverse medical consequences. DUR programs use professional medical protocols and computer technology and data processing to assist in the management of data regarding the prescribing of medicines and the dispensing of prescriptions over periods of time.

- **Mandatory Generic Drug Program (MGDP)**

The MGDP, located at: https://newyork.fhsc.com/providers/MGDP_about.asp, requires PA for brand-name prescriptions with an A-rated generic equivalent. NYS law excludes Medicaid coverage of brand name drugs that have a Federal Food and Drug Administration (FDA) approved A-rated generic equivalent, unless a PA is obtained. Drugs subject to the PDP and/or the BLTG program are not subject to the MGDP.

- **Dose Optimization Program**

The Dose Optimization program, located at: https://newyork.fhsc.com/downloads/providers/NYRx_PDP_PDL.pdf, can reduce prescription costs by reducing the number of pills a patient needs to take each day. The NYS DOH has identified the drugs that are included in this program, the majority of which have FDA approval for once-a-day dosing, have multiple strengths available in correlating increments at similar costs and are currently being utilized above the recommended dosing frequency.

- **Preferred Diabetic Supply Program (PDSP)**

The NYS Medicaid Program participates in a Preferred Diabetic Supply Program (PDSP), located at: <https://newyork.fhsc.com/providers/diabeticsupplies.asp>, to provide NYS Medicaid members access to quality glucose meters and test strips, while at the same time reducing overall program costs.

Transition Strategy

Stakeholder Engagement

NYS DOH began conducting monthly meetings in August 2022 with all interested stakeholders to provide implementation updates, facilitate Q&A sessions, and to incorporate feedback received from sessions into the workplan. For information regarding these meetings, including copies of presentations, visit the “Stakeholder Engagement” section of the NYS DOH “Repository” web page, located at: https://health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/repository/index.htm.

Data Analytics

NYS DOH is analyzing MMC claims by program area to inform transition strategy. NYS DOH will include details regarding the analysis and transition strategy that will be used to ensure continued access to medications in future stakeholder meetings.

Transition Period

Between April 1, 2023, and June 30, 2023, NYS Medicaid members will be able to obtain a one-time fill for medications that are non-preferred in NYRx without the normal PA requirement. This will allow additional time for prescribers to switch NYS Medicaid members to a NYRx preferred medication (no PA required) or obtain a PA for the non-preferred medication.

PA

PAAs for drugs previously authorized by MMC Plans will be recognized and honored by NYRx following the Transition. MMC Plans will share the previously approved PAAs with the NYS DOH. No PA will be required when NYRx PA requirements (e.g., correct diagnosis) are met, according to the enrollee's MMC Plan claim history.

Communication

Communication regarding the Transition will be made by both NYS DOH and MMC Plans. Additionally, communication will be established through a variety of methods including general and targeted communications (e.g., future *Medicaid Update* articles). For information regarding these communications and their timing, providers can refer to the *Transition and Communications Activities Timeline* document, which can be found under the “Resources & Materials” tab of the NYS DOH “Repository” web page, at: https://health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/repository/index.htm.

Information for Pharmacies

Enrollment

Pharmacies should refer to the *Medicaid Enrollment Requirements and Compliance Deadlines for Managed Care Providers* article published in the April 2022 issue of the *Medicaid Update*, located at: https://www.health.ny.gov/health_care/medicaid/program/update/2022/docs/mu_no4_apr22_pr.pdf, for instructions on how to check enrollment status and enrollment tips. Pharmacies not enrolled in the NYRx program as billing providers must enroll to continue serving MMC Plan enrollees.

Billing Updates

Member Identification Number: Effective April 1, 2023, pharmacies will bill NYRx using the Client Identification Number (CIN), which can be found on both the NYS Benefit card and the enrollees MMC Plan card. The CIN is a unique number assigned to each NYS Medicaid member, used by a pharmacy to submit pharmacy claims to NYRx. All NYS Medicaid members are assigned a CIN even if they are enrolled in a MMC Plan. The CIN is located on all NYS Medicaid member cards, including MMC Plan cards. On some MMC Plan cards the CIN is referred to as "CIN"; however, other MMC Plan cards may identify the CIN as "Program ID", "Member ID", or "ID#". In other cases, the CIN may be embedded into a longer number; however, the CIN is always represented in the following format: "XX00000X".



Please note: The sequence number is not required for submitting claims.

For assistance locating the CIN on an MMC Plan card, providers should refer to the NYS MMC Pharmacy Benefit Information Center homepage, located at: <https://mmcdruginformation.nysdoh.suny.edu/>. Under the "Managed Care Plans" section of the homepage, providers can select from 16 different plan cards, which reveal exact CIN location, when selected.

Bank Identification Number (BIN) and Processor Control Number (PCN): When submitting NYRx claims to NYS Medicaid via NCPDP D.0, the BIN ("004740") is required in field 101-A1. The PCN, required in field 104-A4, has two formats which are comprised of ten characters:

- **First format for three-digit Electronic Transaction Identification Number (ETIN)**
 - "Y"- (Yes, read Certification Statement) (1)
 - Pharmacist's Initials (2)
 - Provider Personal Identification Number (PIN) (4)
 - 3-digit Electronic Transaction Identification Number (ETIN) (3)
- **Second format for four-digit ETIN**
 - Pharmacist's Initials (2)
 - Provider PIN (4)
 - 4-digit ETIN (4)

PA

Prescribers should review the Preferred Drug List (PDL), located at: https://newyork.fhsc.com/downloads/providers/NYRx_PDP_PDL.pdf, which contains a full-listing of drugs/classes subject to the NYRx programs and information on clinical criteria prior to April 1, 2023. Prescribers can either switch NYS Medicaid members to a preferred product or obtain a PA for a non-preferred product. For instructions on how to request a PA, prescribers can refer to the Magellan Health, Inc. "NYRx, the Medicaid Pharmacy Program: Preferred Drug Program" web page, located at: https://newyork.fhsc.com/providers/PDP_about.asp, or refer to the process described below.

- To initiate the PA process, the prescriber must contact the PA call center at (877) 309-9493, then select option "1" for "Prescriber". The PA call center is operational 24 hours a day, seven days per week.
- Fax requests are permitted for most drugs. Completed PA forms should be faxed to (800) 268-2990. Fax requests may take up to 24 hours to process. PA forms and references are available on the Magellan Health, Inc. "NYRx, the Medicaid Pharmacy Program: Prior Authorization Forms, Worksheets & References" web page, located at: https://newyork.fhsc.com/providers/pa_forms.asp.
- Billing questions should be directed to (800) 343-9000 and clinical concerns/PDP questions should be directed to (877) 309-9493. Prescribers can visit the NYS DOH "Welcome to the NY Medicaid Pharmacy Program (NYRx)" web page, located at: https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/, for more information.
- Medicaid pharmacy policy and operations questions should be directed to (518) 486-3209.

Information for DMEPOS Providers

Enrollment

DMEPOS providers should refer to the *Attention: Pharmacies Durable Medical Equipment, Prosthetics, Orthotics, and Supply Providers, and Prescribers That are Not Enrolled in Medicaid Fee-for-Service* article published in the October 2020 issue of the *Medicaid Update*, located at: https://www.health.ny.gov/health_care/medicaid/program/update/2020/docs/mu_no15_oct20.pdf, for instructions on how to check enrollment status and enrollment tips. DMEPOS providers who are not enrolled in the NYRx program must enroll as billing providers to continue serving MMC.

Supplies

Supplies listed in the *New York State Medicaid Program – Pharmacy Procedures and Supply Codes* document, located at: https://www.emedny.org/ProviderManuals/Pharmacy/PDFS/Pharmacy_Procedure_Codes.pdf, such as enteral and parenteral nutrition, family planning and medical/surgical supplies, are subject to the Transition. Items that will remain the responsibility of the MMC Plans include DMEPOS, as listed in Sections 4.4, 4.5, 4.6, and 4.7 of the *New York State Medicaid Program – Durable Medical Equipment, Prosthetics, Orthotics and Supplies – Procedure Codes and Coverage Guidelines*, located at: https://www.emedny.org/ProviderManuals/DME/PDFS/DME_Procedure_Codes.pdf, are not subject to the Transition.

Resources:

- NYS DOH “Welcome to the NY Medicaid Pharmacy Program (NYRx): Information about Medicaid’s Prescription Drug Benefit and Changes Coming April 2023” web page (https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/index.htm)
- NYS DOH “Transition of the Pharmacy Benefit from Managed Care (MC) to the Medicaid Pharmacy program, NYRx: Frequently Asked Questions (FAQs)” web page (https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/pharmacy_transition_faq.htm)
- NYS DOH “Welcome to the NY Medicaid Pharmacy Program (NYRx)” web page (https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_transition/)
- New York State Medicaid Fee-For-Service Program – *Pharmacy Manual Policy Guidelines* (https://www.emedny.org/ProviderManuals/Pharmacy/PDFS/Pharmacy_Policy_Guidelines.pdf)
- New York State Medicaid Program – *Durable Medical Equipment, Prosthetics, Orthotics and Supplies – Procedure Codes and Coverage Guidelines* (https://www.emedny.org/ProviderManuals/DME/PDFS/DME_Procedure_Codes.pdf)
- **Outpatient Prescription Drugs:** eMedNY “Medicaid Pharmacy List of Reimbursable Drugs” web page (<https://www.emedny.org/info/formfile.aspx>)
- New York State Medicaid Program – *Pharmacy Procedure Codes* document (https://www.emedny.org/ProviderManuals/Pharmacy/PDFS/Pharmacy_Procedure_Codes.pdf)
- Magellan Health, Inc. “NYRx, the Medicaid Pharmacy Program: Preferred Drug Program” web page (https://newyork.fhsc.com/providers/PDP_about.asp)
- PDL (https://newyork.fhsc.com/downloads/providers/NYRx_PDP_PDL.pdf)
- eMedNY New York State Medicaid Members “Find a Pharmacy/Medical Equipment Supplier” web page (<https://member.emedny.org/pharmacy-search>)
- NYS DOH “Drug Utilization Review (DUR)” web page (https://www.health.ny.gov/health_care/medicaid/program/dur/index.htm)
- NYS DOH “New York State Medicaid Fee-for-Service Program: Pharmacists as Immunizers Fact Sheet” web page (https://www.health.ny.gov/health_care/medicaid/program/phar_immun_fact.htm)
- **NYS Medicaid member rights:** NYS DOH “Medicaid” homepage, under the “COVID-19 News and Updates” section (https://www.health.ny.gov/health_care/medicaid/#rights)

Questions and Additional Information:

- All questions regarding the Transition should be sent to NYRx@health.ny.gov. **Providers must include “Pharmacy Benefit Transition” in the subject line.**
- Providers interested in receiving MRT email alerts should visit the NYS DOH “Medicaid Redesign Team (MRT) LISTSERV” web page, located at: https://www.health.ny.gov/health_care/medicaid/redesign/listserv.htm, to subscribe.

Provider Directory

Office of the Medicaid Inspector General:

For suspected fraud, waste, or abuse complaints/allegations, please call 1-877-87FRAUD, (877) 873-7283, or visit the Office of Medicaid Inspector General (OMIG) web site at: www.omig.ny.gov.

Provider Manuals/Companion Guides, Enrollment Information/Forms/Training Schedules:

Please visit the eMedNY website at: www.emedny.org.

Providers wishing to listen to the current week's check/EFT amounts:

Please call (866) 307-5549 (available Thursday PM for one week for the current week's amount).

For questions about billing and performing MEVS transactions:

Please call the eMedNY Call Center at (800) 343-9000.

Provider Training:

Please enroll online for a provider seminar at: <https://www.emedny.org/training/index.aspx>. For individual training requests, please call (800) 343-9000.

Beneficiary Eligibility:

Please call the Touchtone Telephone Verification System at (800) 997-1111.

Medicaid Prescriber Education Program:

For current information on best practices in pharmacotherapy, please visit the following web sites:

- DOH Prescriber Education Program page:
https://www.health.ny.gov/health_care/medicaid/program/prescriber_education/presc-educationprog.
- Prescriber Education Program in partnership with SUNY: <http://nypep.nysdoh.suny.edu/>.

eMedNY

For a number of services, including: change of address, updating an enrollment file due to an ownership change, enrolling another NPI, or revalidating an existing enrollment, please visit the eMedNY Provider Enrollment page at: <https://www.emedny.org/info/ProviderEnrollment/index.aspx>, and choose the appropriate link based on provider type.

Comments and Suggestions Regarding This Publication

Please contact the editor, Angela Lince, at medicaidupdate@health.ny.gov.