



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

## INFORMATIONAL LETTER NO. 399

**To:** Iowa Medicaid Participating Providers

**From:** Iowa Department of Human Services

**Date:** December 28, 2004

**Subject:** Iowa Medicaid Preferred Drug List (PDL) Information

**Effective Date:** January 15, 2005

**Purpose:** The purpose of this Informational Letter is to inform you of the changes associated with implementation of the Preferred Drug List (PDL) on January 15, 2005.

- 1). **Prior Authorization Requests** - Beginning January 15, 2005, all prior authorizations will be requested by the prescriber via fax only. The Iowa Medicaid Drug Prior Authorization Unit will fax back the approvals on the prior authorization to both the prescriber and the pharmacy. Prior authorization denials will be faxed to both the prescriber and pharmacy, and the Iowa Medicaid member will receive a denial notice by mail. It is imperative that all prescribers be proactive with the Preferred Drug List by reviewing their patients' profiles and either change to a preferred medication or request a prior authorization of the non-preferred medication. The Preferred Drug List applies to all Medicaid Providers, including all prescribers and pharmacies. We encourage you to go to [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com) to download the prior authorization forms.

Within the Preferred Drug List (PDL), a drug will be one of the following:

- a. **Preferred:** No prior authorization (PA) required.
- b. **Preferred with Conditions:** Prior Authorization (PA) required based on certain medical/clinical guidelines that coincide with current PA requirements.
- c. **Non-Preferred:** Prior Authorization required with the primary criteria being failure on the preferred agent(s) rather than clinical guidelines.
- d. **Recommended Drugs and Non-Recommended Drugs:** *No prior authorization required except for the psychostimulants and benzodiazepines, which have pre-existing prior authorization criteria.* These drugs were placed on a voluntary list designed to inform prescribers of cost-effective alternatives that will result in savings to the Medicaid Program.

- 2). **Grandfathering** - Certain medications on the Iowa Medicaid Preferred Drug List will be grandfathered based on either their therapeutic class or diagnosis for use. Patients currently using a grandfathered medication will be allowed to continue therapy on that medication. Any new patients starting on a grandfathered medication or therapeutic class will be asked to try a preferred medication in the same therapeutic class or have their prescriber supply information for a prior authorization of the non-preferred medication. The following medications will be grandfathered:

- a. All non-preferred anticonvulsants will be grandfathered for a diagnosis of seizure disorder
- b. Copaxone
- c. Didronel
- d. Duragesic
- e. Reminyl
- f. Sonata
- g. Synthroid
- h. Warfarin

3). **Override Codes** - The following is a list of override codes for the pharmacies:

- a. **72-Hour Emergency Supply:** A 72-hour supply of the medication may be dispensed using **PA Type Code 1** as a POS override. The 72-hour supply provision can only be used one time per member, in an emergency situation, per drug. The dispensing pharmacist should inform the prescriber of this policy. The dispensing pharmacist should also inform the member of this rule so the member can follow up with his/her prescriber.
- b. **30-day supply provision for non-preferred drugs:** A prior authorization is not required for a non-preferred agent for the first 30 days of therapy. The dispensing pharmacist may use **PA Type Code 8** as a POS override. However, the dispensing pharmacist should inform the member and prescriber that the non-preferred agent will need to be changed to a preferred agent or the prescriber will need to obtain a prior authorization before the next fill.
  - The 30-day supply provision can only be made one time per member per therapeutic class of drugs. The dispensing pharmacist should inform the member of this rule so the member can also follow up with his/her prescriber.
  - A 30-day supply will not be available for medication that must meet therapeutic prior authorization guidelines (Preferred with Conditions).

4). **General Prior Authorization Information** - We would like to inform you of some issues that have changed or been clarified since the Provider Training sessions were held:

- a. Existing prior authorizations will remain in place for **preferred** drugs until the prior authorization end date. Existing prior authorizations for **non-preferred** drugs will expire on January 15, 2005. The prescriber can either change to a preferred drug or fax a request for prior authorization of the non-preferred drug to the Iowa Medicaid Drug Prior Authorization Unit.
- b. Loratadine will be an OTC payable product beginning January 15, 2005 and will be considered an antihistamine trial.
- c. The prior authorization fax forms will not be mailed to providers. The prior authorization forms can be downloaded from the PDL website [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com).
- d. When a brand drug is preferred over the generic, there will not be an override code needed. These drugs will be programmed to pay the same as all other preferred drugs.

5). **Important Contact Information** - The following is a list of contact phone numbers along with their effective dates. **NOTE:** Faxed prior authorizations received prior to January 15, 2005 will not process through POS until January 15, 2005. For **immediate** prior authorizations continue the same procedure of calling Drug PA at 515-327-5124 or 1-800-338-9158 through January 14, 2005, then utilize the Fax number of 1-800-574-2515. For an **override** of Prospective Drug Utilization Review (pro-DUR) edits (high dose, therapeutic duplication, refill too soon, excessive days supply, dose consolidation, duplicate claim or immunosuppressant drugs) continue to call 515-327-5124 or 1-800-338-9158 through January 14, 2005, then call 1-877-776-1567.

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| a. Prior Authorization Fax:   | 1-800-574-2515 effective January 15, 2005  |
| b. Provider PA Help Desk:     | 1-877-776-1567 effective January 15, 2005  |
| c. Member Hotline:            | 1-877-776-1568 effective January 3, 2005   |
| d. E-mail:                    | <a href="mailto:info@iowamedicaidpdl.com">info@iowamedicaidpdl.com</a> effective immediately |
| e. Phone in PAs :             | 515-327-5124 or 1-800-338-9158 through January 14, 2005                                      |
| f. Override of pro-DUR edits: | 515-327-5124 or 1-800-338-9158 through January 14, 2005                                      |
| g. Provider Relations:        | 515-327-5122 or 1-800-338-7909 through June 30, 2005   |

Enclosed you will find the following items:

1. **Final Iowa Medicaid Preferred Drug List (PDL)**
2. **Preferred/Recommended Only Drug List**
3. **Brands Preferred Over Generics List**

**NOTE: Other versions of the PDL are available on the website [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com).**

Thank you for your patience and cooperation as we begin to implement the Iowa Medicaid Preferred Drug List. If you have any questions, please contact Sheryl Hove at (515) 453-8048.

**ATTACHMENTS (3)**