



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
 PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
 KEVIN W. CONCANNON, DIRECTOR

INFORMATIONAL LETTER NO. 659

To: All Iowa Medicaid Physician, Dentist, Podiatrist, Pharmacy, Home Health Agency, Rural Health Clinic, Clinic, Skilled Nursing Facility, Intermediate Care Facility, Community MH, Family Planning, Residential Care Facility, ICF MR State, Community Based ICF/MR Providers

From: Iowa Department of Human Services, Iowa Medicaid Enterprise

Date: December 3, 2007

Subject: The purpose of this Informational Letter is to inform providers of Preferred Drug List (PDL) and other Iowa Medicaid pharmacy program changes.

Effective Date: January 1, 2008

1. Changes to the Preferred Drug List (PDL)¹

<u>Preferred</u>	<u>Non-Preferred</u>	<u>Recommended</u>	<u>Non-Recommended</u>
Amoxicillin 400mg/5mL	Alprazolam ER	Vyvanse™ ²	Kogenate® FS
Amoxicillin/Clavulanate Susp 400mg/5mL	Amrix™ ⁵		Reyataz®
Carvedilol ³	Augmentin® 400mg/5mL ⁴		
Copaxone®	Azulfidine EN®		
Diflorasone Diacetate Cream	Betaseron		
Diflorasone Emollient Base Cre.	Biaxin® 187.5mg Susp		
Duetact™	Byetta®		
Ethinyl Estradiol/Levonorgesterol 30mcg/0.15mg	Cabergoline		
Ethinyl Estradiol/Norethindrone 35mcg/0.5,0.75,1mg	Caduet®		
Ethinyl Estradiol/Norgestimate 35mcg/0.18,0.215,0.25mg	Ceftin® 500mg ⁴		
Ethinyl Estradiol/Norgestimate 35mcg/0.25mg	Celebrex®		
Exelon® (Capsules & Patches)	Clarithromycin Susp.		
Flecainide	Coreg®		
Fluorometholone Opth. Suspension	Cytotec®		
Fluticasone Nasal Spray	Divigel®		
Foscarnet	Duricef 500mg ⁴		
Glycopyrrolate Tablets	Elestat®		
Kadian®	Elocon® Ointment		
Lidocaine/Hydrocortisone 3%/0.5% Cream	Evoxac®		
Meloxicam	Exubera®		
Metronidazole Vaginal Gel	Evamist™		
Misoprostol	Flonase®		
Mometasone Ointment	FML® Liquifilm		
Norethindrone 0.35mg	Foscavir®		
Optivar®	Lantus® Solostar ⁵		
Oxycodone (Tablets)	Lidamantle® HC		
Phenazopyridine-Butabarbital-Hyoscyamine	Lyrica		
Pilocarpine 5mg Tabs	Metoprolol ER		
Pravastatin 10mg Tabs	Metrogel® Vaginal		

¹ Alesse®, Anthralin Cream, Humulin®L, Humulin® U, Tequin®, and Triphasil® have been removed from the PDL due to discontinuation by the respective manufacturers.

² Payable for 6 – 12 year olds per product labeling

³ Became preferred status 10-25-07

⁴ After 30 days only the generic will be preferred

⁵ Clinical PA Criteria Apply

Changes to the Preferred Drug List (PDL) Continued

Preferred (cont.)	Non-Preferred (cont.)	Recommended	Non-Recommended
Prednisolone Soln. (15mg/5mL & 5mg/5mL)	Nasacort AQ®		
Prednisolone Acetate Opth.	Neupro®		
Pulmicort Flexhaler®	Nordette®		
Quixin®	Ocuflox® ⁴		
Sulfasalazine Delayed Release Tabs	Orapred®		
Symbicort®	Ortho Cyclen®		
Tracleer® ⁵	Ortho Micronor®		
Tretinoin Gel/Cream ⁵	Ortho Novum 7/7/7®		
	Ortho Tri-Cyclen®		
	Pediapred®		
	Perforomist™		
	Pred-Forte®		
	Pyridium Plus®		
	Quinapril/HCTZ		
	Renagel® 800mg		
	Retin-A® Cream/Gel ^{4,5}		
	Robinul®		
	Robinul® Forte		
	Sular®		
	Sumycin® 500mg ⁴		
	Symlin®		
	Tambacor™		
	Tranxene® 3.75mg ⁴		
	Triglide™		
	Urso® 250		
	Xanax XR®		
	Xyzal® ⁵		
	Zyflo™ CR		

2. Common Billing Errors

A list of common billing errors has been posted to the website to assist the pharmacist in selecting the correct quantity increments in which to bill for certain products. This list is posted under the “Billing” link on the website, www.iowamedicaidpdl.com. Most recently, the drug Xopenex® HFA has frequently been billed incorrectly as a quantity of 17 grams instead of 15 grams. Please review this list and ensure the appropriate increments are being billed for the listed products. Claims submitted for incorrect increments must be reversed and resubmitted.

Effective First Quarter of 2008- AWP Reporting by Medi-Span

Wolters Kluwer Health announced on May 25, 2007 that it had entered into an agreement with the plaintiffs of the First DataBank AWP lawsuit regarding their publication of AWP in Medi-Span. Upon court approval of the proposed settlement, Wolters Kluwer Health has agreed to adjust its reporting of Medi-Span's AWP for certain prescription drugs by reducing the mark-up factor utilized to determine the AWP to 1.20 for all products that have a mark-up factor from WAC or Direct Price in excess of 1.20. (i.e., an AWP that was calculated as $WAC \times 1.25$ will be decreased to $WAC \times 1.20$). This adjustment is estimated to occur during the first quarter of 2008. Since Iowa Medicaid relies on Medi-Span's AWP to calculate EAC, reimbursement to the pharmacy may be impacted by this reporting change.

We would encourage providers to go to the website at www.iowamedicaidpdl.com to view all recent changes to the PDL. If you have any questions, please contact the Pharmacy Prior Authorization Provider Hotline at 877-776-1567 or 515-725-1106 (local in Des Moines) or e-mail info@iowamedicaidpdl.com.