



# Iowa Department of Human Services

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## INFORMATIONAL LETTER NO.1045

**DATE:** August 24, 2011

**TO:** Iowa Medicaid Physicians, Dentists, Advanced Registered Nurse Practitioners, Therapeutically Certified Optometrists, Podiatrists, Pharmacies, Home Health Agencies, Rural Health Clinics, Clinics, Skilled Nursing Facilities, Intermediate Care Facilities, Community Mental Health, Family Planning, Residential Care Facilities, ICF MR State and Community Based ICF/MR Providers

**ISSUED BY:** Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

**RE:** Fifteen (15) Day Initial Prescription Supply of Select Medications

**EFFECTIVE:** September 1, 2011

Information on the implementation of this limit was previously communicated in Informational Letters No. 1019 and 1022. Based on questions received, this Frequently Asked Questions (FAQ) document was developed to assist in clarifying this new process. The FAQ portion of this Informational Letter will also be posted at [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com).

### 1. Implementation

A fifteen (15) day supply limit on the initial fill of select prescriptions will be implemented effective September 1, 2011. This limit will apply to **new** prescriptions only. Existing users will be allowed to continue to obtain up to a thirty-one (31) day supply of medication. These drugs are identified on the Fifteen Day Initial Prescription Supply Limit List located on the website [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com) under the Preferred Drug Lists tab. The medications selected are those with high side effect profiles, high discontinuation rates, or frequent dose adjustments. These changes will be implemented to ensure cost effectiveness without wasting or discarding unused medications. Subsequent refills of these products are at the usual allowed days supply.

### 2. New Prescriptions for Schedule II Medications Listed on Fifteen (15) Day Initial Prescription Supply

The prescriber must write out an initial fifteen (15) day prescription. If the medication is continued, subsequent prescriptions for up to a thirty-one (31) day supply may be, based on the prescriber's discretion, issued on the same visit containing written instructions indicating the earliest date on which a pharmacist may fill each prescription. This eliminates the necessity of multiple office visits.

### 3. FAQ

- a. **Why is the State implementing the fifteen (15) day limit on initial fills of certain medications?** The Department of Human Services (DHS) is required to implement cost containment strategies regarding the Iowa Medicaid outpatient prescription drug program. Medications selected for the initial fifteen (15) day limit are those with high side effect profiles, frequent dose adjustments, and high discontinuation rates or lack of adherence that lead to unused or discarded medications.
- b. **Will additional medications be added to the list in the future?** Yes. The list may expand to include other drug categories that have high discontinuation rates or lack of adherence that lead to unused or discarded medications.
- c. **Will the list of affected drugs be available to providers?** Yes. The list will be posted on the website [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com) under the Preferred Drugs List tab. Providers will be notified of updates to the list via an Informational Letter.
- d. **What should pharmacies do with remaining partial stock?** Pharmacies will not be penalized for billing remaining supplies of medications on the subsequent refill.
- e. **Will pharmacies be reimbursed for partial remaining stock that expires?** Pharmacies will not be reimbursed for medication not dispensed to an Iowa Medicaid member. The remaining partial product may be used on other Iowa Medicaid members.
- f. **Will this result in multiple prescriptions and/or medical visits to obtain prescriptions for schedule II medications?** The prescriber must write out an initial fifteen (15) day prescription. If the medication is continued, subsequent prescriptions for up to a thirty-one (31) day supply may be, based on the prescriber's discretion, issued on the same visit containing written instructions indicating the earliest date on which a pharmacist may fill each prescription. This eliminates the necessity of multiple office visits.
- g. **Is a fifteen (15) day supply sufficient for certain medications whose therapeutic affect take longer to reach?** The list of medications consists of those with high side effect profiles, frequent dose adjustments, and high discontinuation rates or lack of adherence. While therapeutic levels may not have been reached, often the medications are discontinued before the fifteen (15) day supply is completely utilized for one of the above reasons.
- h. **Why are certain brand-name medications included in the initial fifteen (15) day supply limit and listed as preferred on the Preferred Drug List (PDL)?** State Medicaid programs participate in a federal and state supplemental rebate program with participating drug manufacturers. The overall cost determination of brand and generic drugs are based on a review of the net cost to the program, subtracting out all federal and state supplemental rebates. Because of varying rebates for brand name drugs, it is not uncommon for the net cost of a brand name drug to be less than that of its generic counterparts thus making it preferred for Medicaid programs. These medications are included because they have high discontinuation rates.

We encourage providers to go to the website at [www.iowamedicaidpdl.com](http://www.iowamedicaidpdl.com) to view all recent changes to the PDL. If you have questions, please contact the Pharmacy Prior Authorization Helpdesk at 877-776-1567 or 515-256-4607 (local in Des Moines) or email [info@iowamedicaidpdl.com](mailto:info@iowamedicaidpdl.com).