

# Neighborhood Health Plan of Rhode Island

## Formulary – Medicaid

December 2016

### ***Foreword***

The Formulary of Neighborhood Health Plan of Rhode Island (Neighborhood) is the finite list of medications covered under the pharmacy component of the Managed Medicaid benefit. This document outlines for prescribers, pharmacists, and members the rationale and process used in defining the Formulary, other details of the pharmacy benefit, and avenues for discussion and appeal when Non-Formulary and restricted medications are requested.

The development and maintenance of the Neighborhood Formulary is dynamic and requires constant attention. Expert advice is provided to Neighborhood by its Pharmacy and Therapeutics (P&T) Committee. The P&T Committee meets quarterly to consider addition of new pharmaceuticals, and to review the adequacy of the current Formulary. Since the Formulary changes at each meeting, updates are posted at [www.nhpri.org](http://www.nhpri.org).

The Neighborhood P&T Committee uses the following criteria in the evaluation of product selection for the Neighborhood Formulary:

- 1) Safety.
- 2) Efficacy: the potential effects of treatment under optimal circumstances.
- 3) Effectiveness: the actual effects of treatment under real life conditions.
- 4) Relevant benefits of current formulary agents of similar use.
- 5) Cost and outcome modeling: potential health outcomes and resulting total cost of drug and medical care; potential savings available. The context of plan demographics, alternate agents, and cost-effectiveness are pieces of the decision-making process.
- 6) Condition of potential duplication of similar drugs currently on formulary.
- 7) Any restrictions that should be delineated to assure safe, effective, or proper use of the drug.
- 8) Requirements and restrictions set forth in the Medicaid Managed Care Services Pharmacy Benefit Plan Protocols established (and amended) by the RI Executive Office of Health and Human Services

As you use this Formulary, you are encouraged to review the information and provide your input and comments to the Neighborhood P&T Committee:

Chair, Pharmacy & Therapeutics Committee  
Neighborhood Health Plan of Rhode Island  
910 Douglas Pike  
Smithfield, RI 02917

## ***How to Use the Drug Formulary***

The Formulary is a list of covered and preferred drug agents for Neighborhood members. Drugs are listed by their drug class. Drugs are also listed alphabetically in the "Index" section of the Formulary. All products are listed by their generic names, and a common proprietary (branded) name. The Formulary also includes the names of some drugs that are not covered for Neighborhood members. Drugs are identified as being either "covered" or "non covered" in the column labeled "DRUG TIER" or "STATUS". Drugs identified as "F", "FG" or "FB" are covered. Drugs identified as "NF" are not covered. Drugs identified as "GA" are brand name drugs that have generic equivalents available. Drugs identified as "GA" are not covered but, in most cases, the generic equivalent of these drugs is covered.

The Formulary identifies many drugs that have specific limitations and restrictions. These limits and restrictions are listed in the column labeled "REQUIREMENTS/LIMITS" or "NOTES and RESTRICTIONS". Drugs listed with a "QL" have specific quantity limits that may be different from the normal "30 day supply" limit associated with most drugs. Drugs listed with a "PA" require Prior Authorization" (see details below). Drugs listed with a "ST" require step therapy (this means that they are only covered when there is evidence that another specific drug has been tried and failed).

Please remember that Neighborhood encourages the use of generic drugs as first line alternatives for most drug classes. Please utilize generic drugs whenever possible.

### **Coverage Limitations**

The Formulary does not provide information regarding all coverage and limitations an individual member may have. Many members have specific exclusions, copays, or a lack of coverage, which is not reflected in the Formulary.

The Formulary applies only to outpatient drugs provided to members, and does not apply to medications used in inpatient settings. If a member has any specific questions regarding their coverage, they should contact Customer Service 1-401-459-6020.

The following general provisions pertain to all covered individuals:

- A. Some Over the Counter (OTC) products are covered for members. A written prescription is required for OTC products.
- B. Drug Products not listed in the Formulary at [www.nhpri.org](http://www.nhpri.org), or specifically listed as not covered, are not covered.
- C. Any drug products used for cosmetic purposes are not covered.
- D. Experimental drug products, or any drug product used in an experimental manner are not covered.
- E. Replacement of lost or stolen medications will be covered on a case by case basis.
- F. For some members infertility treatment may not be covered
- G. Unless otherwise stated, dispensed quantities are limited to one month's supply.
- H. Drug products failing industry-standard patient safety screens will not be dispensed at the pharmacy without further information from the prescriber

## **Generic Substitution**

When available, FDA approved generic drugs are to be used in all situations. *The brand names listed are for reference use only, and do not denote coverage, unless specifically noted.* Greater economy is realized through the use of generic equivalents. This policy is consistent with Rhode Island law, and is not meant to preclude or supplant any state statutes that may exist. All drugs, which are or become available generically, are subject to review by Neighborhood's P&T Committee.

- As permitted by Rhode Island pharmacy statutes, generic substitution using all forms of A-rated generics is required if, pursuant to pharmacist's judgment, there is sufficient evidence that the generic product will produce the same therapeutic effect as the brand comparator.
- Certain drug products with complex pharmacokinetics, dosage forms, narrow therapeutic efficacy or where blood level maintenance is crucial will not be subject to substitution. These products are:
  - ◊ Dilantin
  - ◊ PremarinThis list is reviewed and updated periodically based on the clinical literature and available pharmacokinetic principals of the drug products.

## **Experimental Drugs**

The experimental nature or use of drug products will be determined by the Neighborhood P & T Committee using current medical literature. Any drug product or use of an existing product, which is determined to be experimental, will be excluded from coverage.

## **Benefit Exception Process**

Coverage for Non-formulary, not covered or restricted drugs may be applied for by prescribers. Requests for non-Formulary, not covered or restricted medications are addressed by Neighborhood pharmacy and medical staff. When a member gives a prescription order for a non-formulary, not covered or restricted drug to a pharmacist, the pharmacist will evaluate the patient's drug history and contacts the prescriber to confirm the medical necessity for the drug. The prescriber will then call the Neighborhood pharmacist, to obtain approval. The prescriber will provide information to address the following:

- a) The use of Formulary products is contraindicated in the patient.
- b) The patient has failed an appropriate trial of Formulary or related agents.
- c) The choices available in the Drug Formulary are not suited for the present patient care need, and the drug selected is required for patient safety.
- d) The use of a Formulary Drug may provoke an underlying condition, which would be detrimental to patient care.

Application of the above criteria will reflect patient safety screens, and P&T Committee approved Step Therapy protocols. There is no therapeutic substitution in management of the Neighborhood Formulary benefit.

The Neighborhood P&T Committee recognizes that not all medical needs can be met with the drugs listed in this document and encourages inquires about alternative therapies. For more information on the denial process, see section on **Adverse Determination** below.

## **Prior Authorization**

Drug products, which are listed as Prior Authorization (PA) required, require approval when the member presents a prescription to a network pharmacy. To obtain coverage, a prescriber or pharmacist may:

- a) Fax a completed **Prior Authorization Request** to the pharmacist at Neighborhood at 1-866-423-0945.
- b) Contact the pharmacist at Neighborhood at 1-401-459-6020 and provide all necessary information requested.

Each request will be reviewed on individual patient need, and according to criteria approved by the Neighborhood P&T Committee. For information on the process for denials, see section on **Adverse Determination** below.

## ***Adverse Determination***

For requests that do not meet the criteria for a benefit exception:

- a) The rationale and Formulary alternatives will be provided to the prescribing provider.
- b) In instances when the prescriber feels the recommended alternatives do not meet the needs of the patient, the prescriber will be referred to the Neighborhood Medical Director or Physician Reviewer for approval or denial of the request. After discussion with the prescriber, the Medical Director or Physician Reviewer will assess the prescription's medical necessity before making a determination.
- c) In the event of a denial, the Medical Director or Physician Reviewer will discuss with the prescribing practitioner the reason for the denial, and an explanation of the appeals process as outlined in Policy and Procedure for Clinical Appeals.
- d) In the event of a denial the Medical Director or Physician Reviewer will provide written letters to prescriber and member documenting the reasons for the decision, the applicable benefit or clinical guideline, and the opportunity for member or prescriber to review all documentation including protocols, guidelines, and references. Additionally, the letter will outline processes for filing an appeal.
- e) Members may also register an inquiry or complaint with Customer Service, to be responded to with standard response protocols and notification of appeal rights.
- f) Response to requests for non-Formulary or not covered agents (i.e. benefit exceptions) and restricted agents (i.e. prior authorization agents) will be provided within one business day of completed background documentation.

For non-business hours and weekend requests of the prescriber or pharmacist, a temporary supply will be provided until the request is addressed the following business day.

## ***Pharmacist and Prescriber Communications***

The Formulary is a tool to promote cost-effective prescription drug use. The Neighborhood P & T Committee has made every attempt to create a document which meets all therapeutic needs; however, the art of medicine makes this a formidable task. Neighborhood welcomes the participation of prescribers, pharmacists, and ancillary medical providers, in this dynamic process. Prescribers and pharmacists are strongly encouraged to direct any suggestions, comments or formulary additions to Neighborhood at the following address:

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Neighborhood Health Plan of Rhode Island  
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Smithfield, RI 02917