

Neighborhood Health Plan of Rhode Island

Formulary – Exchange

January 2019

Foreword

The Formulary of Neighborhood Health Plan of Rhode Island (Neighborhood) is the finite list of medications covered under the pharmacy component of the Exchange 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 at least quarterly to consider the 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.

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 Exchange Benefit Contract as set forth by the Office of the Health Insurance Commissioner.

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 drug agents for Neighborhood members. Drugs are listed by their drug class. Drugs are also listed alphabetically in the "Index" section of the Formulary.

The Formulary identifies many drugs that have specific limitations and restrictions under the Requirements/Limits column. Drugs listed with "PA" require Prior Authorization (see details below). Drugs listed as "QL" have a limit (quantity limit) on the quantity of medication that one can receive. Drugs listed as "ST" require step therapy (this means that they are only covered when there is evidence that another specific drug has been tried and failed). Drugs listed as OTC mean that this medication is an Over The Counter product. Drugs listed as C are available for a quantity of 365 days.

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. Members may 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, are not covered.
- C. Any drug products used for cosmetic purposes are not covered.
- D. Experimental drug products, or any drug products 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. Unless otherwise stated, dispensed quantities are limited to one month's supply.
- G. 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. Greater economy is realized through the use of generic equivalents. All drugs, which are or become available generically, are subject to review by the Pharmacy Benefit Manager's (PBM's) P&T Committee.

Therapeutic Interchange

Therapeutic interchange is the practice of replacing, with the prescribing physician's approval, a prescription medication originally prescribed for a member with a chemically different medication. Medications used in therapeutic interchange programs are expected to produce similar levels of clinical effectiveness and sound medical outcomes, based on available scientific evidence. This is done on an individual basis whereby the Neighborhood Pharmacy staff will reach out to the prescribers office if it is determined that a therapeutic interchange is appropriate.

Experimental Drugs

The experimental nature or use of drug products will be determined by the PBM's 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.

Exception Process

Coverage for Non-formulary medications may be applied for by prescribers. Requests for Non-Formulary medications are addressed by Neighborhood pharmacy and medical staff. When a member gives a prescription order for a non-formulary drug to a dispensing pharmacist, the dispensing pharmacist will ~~evaluate the patient's drug history~~ and contact the prescriber to let the prescriber know that the medication needs authorization. The prescriber will then call or fax Neighborhood to request coverage of the medication. 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.

The Neighborhood P&T Committee recognizes that not all medical needs can be met with the drugs listed in this document and encourages inquiries 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 prescribers representative may:

- a) Fax a completed **Prior Authorization Request** to the Neighborhood Pharmacy Department at 1- 866-423-0945.
- b) Contact the pharmacist at Neighborhood Pharmacy Department 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 PBM's P&T Committee. For information on the process for denials, see section on **Adverse Determination** below.

Step Therapy

Drug products that are listed as "ST" require step therapy. Step therapy is when a member needs to try additional formulary products prior to initiating the requested medication. If the formulary products that are required to be tried are not appropriate for the member or there is a reason that the member cannot take the formulary alternatives, the provider can request an exception to the Step Therapy.

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.
- 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.

Pharmacist and Prescriber Communications

The Formulary is a tool to promote cost-effective prescription drug use. Prescribers and pharmacists are strongly encouraged to direct any suggestions, comments or formulary additions to Neighborhood at the following address:

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