

<b>Policy Title:</b>	Benefit Exclusion		
<b>Policy Number:</b>	000826	<b>Department:</b>	PHA
<b>Effective Date:</b>	07/26/2019		
<b>Review Date:</b>	01/26/2023, 8/24/2023		
<b>Revision Date:</b>	01/23/2023, 8/23/2023		

**Purpose:**

To provide notice and context as to the medications that are Benefit Exclusions (not covered) on Neighborhood's pharmacy benefit.

**Scope:**

Medicaid, Commercial, INTEGRITY (Medicare-Medicaid Plan)

**Policy Statement:**

This policy will specify medications and medication classes that are considered Benefit Exclusions and are therefore not covered by Neighborhood. Benefit Exclusions are also listed in the Medicaid Member Handbook and the Commercial Certificate of Coverage (COC), as well as the Provider Manual. These references are updated annually.

**Procedure:**

The following are considered Benefit Exclusions and are therefore not covered by Neighborhood's Medicaid Benefit when obtained at a pharmacy:

- Biological products for allergy immunizations;
- Biological products for vaccinations;
- Blood fractions;
- Compound medications that are not made up of at least one *legend drug*;
- Drugs prescribed or dispensed outside of Health Plan dispensing guidelines;
- Drugs that have not been proven effective according to the FDA;
- Drugs used for cosmetic purposes;
- Drugs or products whose manufacturer does not participate in the Medicaid Drug Rebate Program (MDRP) (i.e., the manufacturer does not have a signed National Drug Rebate Agreement on file with the Secretary of the Department of Health and Human Services);
- Experimental drugs (including those placed on notice of opportunity hearing status by the Federal Drug Efficacy Study Implementation [DESI]);
- Medications an enrollee may take or was given while residing in a hospital, rest home, sanitarium, nursing home, home care program, or other institution that provides prescription drugs as part of its services or which operates its own facility for dispensing prescription drugs;

- Non-medical substances (regardless of the reason prescribed, the intended use, or medical necessity);
- Off-label use of drugs, unless mandated by laws pertaining to the treatment of cancer;
- Support garments and other durable medical equipment (except for diabetic testing supplies);
- Therapeutic devices and appliances, including hypodermic needles and syringes (except when used to administer insulin or for self-administration of FDA-approved injectable drugs);
- Medications prescribed for the treatment of sexual or erectile dysfunction (ED);
- Medical marijuana;
- Travel medications including drugs used to prevent diseases associated with travel to foreign counties are not covered. This includes all vaccines and medications commonly used to prevent diseases not commonly encountered in the US (e.g., malaria, typhoid);
  - Travel vaccines recommended by the Advisory Committee for Immunization Practices (ACIP) are covered for Medicaid members.
- Medications for infertility treatment.

The following are considered Benefit Exclusions and are therefore not covered by Neighborhood's Medicaid Benefit when billed directly by a provider (buy and bill or Medical Benefit):

- Any drug products used for cosmetic purposes are not covered;
- Drugs or products whose manufacturer does not participate in the Medicaid Drug Rebate Program (MDRP) (i.e., the manufacturer does not have a signed National Drug Rebate Agreement on file with the Secretary of the Department of Health and Human Services)
- Experimental drug products, or any drug product used in an experimental manner are not covered, unless mandated by laws pertaining to the treatment of cancer;
- Medications prescribed for infertility treatment, sexual or erectile dysfunction (ED) are not covered;
- Medical marijuana is not covered;
- Travel medications including drugs used to prevent diseases associated with travel to foreign counties are not covered. This includes all vaccines and medications commonly used to prevent diseases not commonly encountered in the US (e.g., malaria, typhoid);
  - Travel vaccines recommended by the Advisory Committee for Immunization Practices (ACIP) are covered for Medicaid members.
- Off-label use of drugs are not covered, unless mandated by laws pertaining to the treatment of cancer.

The following are considered Benefit Exclusions and are therefore not covered by Neighborhood's Commercial Benefit:

- Any drug product used for cosmetic purposes;
- Experimental drug products, off-label use of drug products, or any drug product used in an experimental manner are not covered, unless mandated by laws pertaining to the treatment of cancer;

- Medications prescribed for sexual and erectile dysfunction (ED);
- Medical marijuana;
- Compounded products that are not made up of at least one legend drug;
- Prescription and OTC homeopathic drugs;
- Non-drug products such as therapeutic or other prosthetic devices, appliances, supports, or other non-medical products (except diabetic testing supplies);
- Drugs that cannot be marketed lawfully without the approval of the FDA and such approval has not been granted at the time of their use or proposed use or such approval has been withdrawn;
- Non-drug products such as therapeutic or other prosthetic devices, appliances, supports, or other non-medical products (except diabetic supplies);
- Prescriptions filled at pharmacies other than Neighborhood network retail pharmacies, except for emergency care;
- Prescription drugs once the same active ingredient or a modified version of an active ingredient is available over-the-counter;
- Prescription drugs when packaged with non-prescription products;
- OTC drugs/products are not covered unless they are listed on our formulary on our website at [www.nhpri.org](http://www.nhpri.org).

The following are considered Benefit Exclusions and therefore not covered by Neighborhood's INTEGRITY (Medicare-Medicaid Plan) benefit:

- Medications used for sexual or erectile dysfunction
- Medications used for the treatment of infertility
- Medications being used for indications that are not FDA-approved or compendia-supported
- Medications being used in a manner inconsistent with the requirements of a National or Local Coverage Determination, if such a policy or article exists for said medication
- Continuous Glucose Monitors that do not meet CMS' definition of a therapeutic Continuous Glucose Monitor (e.g., Freestyle Libre 3)

**References:**

1. Executive Office of Health and Human Services. State of Rhode Island. Medicaid Managed Care Services Pharmacy Benefit Plan Protocols.
2. Pharmaceuticals Benefits Coverage Summary. Neighborhood Health Plan of Rhode Island. CMC Review Date 7/7/2015.
3. EOHHS and NHPRI Contract. 7/1/2021.
4. Medicaid Drug Rebate Program. <https://www.medicaid.gov/medicaid/prescription-drugs/medicaid-drug-rebate-program/index.html>. Last updated 11/8/21. Review date 5/17/22.
5. Contract BETWEEN UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES CENTERS FOR MEDICARE & MEDICAID SERVICES IN PARTNERSHIP WITH The State of Rhode Island Executive Office of Health and Human Services AND Neighborhood Health Plan of Rhode Island. EXECUTED: July 1, 2022. Review date 1/23/2023.