

REVISION DATES: 8/2/2019; 10/1/2018; 3/22/2018; 2/16/2018; 12/29/2017; 10/13/2015; 05/31/2012

Covered Services

Medically necessary, cost-effective, and federally and state reimbursable medications prescribed by a physician, physician's assistant, nurse practitioner, dentist, or other AHCCCS registered practitioner and dispensed by an AHCCCS registered licensed pharmacy are covered for members consistent with 9 A.A.C. 22 Article 2, 9 A.A.C. 28 Article 2, and 9 A.A.C. 31 Article 2 and for persons who have a diagnosis of Serious Mental Illness (SMI), pursuant to A.R.S. §36-550.

The AHCCCS Fee-For-Service (FFS) Acute/LTC Drug List, the AHCCCS FFS TRBHA Drug List and the AHCCCS FFS OTC / Dual Eligible Drug List contain federally and state reimbursable drugs and medications that are preferred in specific therapeutic drug classes. The AHCCCS FFS Drug Lists contain medications that are covered in accordance with the AHCCCS Medical Policy Manual Policy 310-V Prescription Medications / Pharmacy Services, which include preferred drugs and procedures for requests for non-preferred agents.

The AHCCCS FFS Drug Lists are not all-inclusive lists of medications for AHCCCS members. Drug coverage includes all medically necessary, clinically appropriate, and cost-effective medications that are federally and state reimbursable, whether or not these medications are included on these lists. Medications not listed are available through the prior authorization process.

Questions regarding pharmacy benefits and services may be directed to the AHCCCS Director of Pharmacy Services Program Administrator at (602) 417-4726 or to the Pharmacy Department's email at AHCCCSPharmacyDept@azahcccs.gov

Specific Parameters of the AHCCCS Pharmacy Benefit

The AHCCCS Pharmacy Program and its Pharmacy Benefit Manager (PBM):

1. Shall utilize a mandatory generic drug substitution policy unless AHCCCS has required the use of a brand name medication. The substitution of a generic drug in place of a brand name drug is required if the generic drug is available and contains the same active ingredient(s) and both products, the brand name and generic, are chemically identical in strength, dosage form and route of administration. Generic substitutions shall adhere to Arizona State Board of Pharmacy rules and regulations.

Exceptions to this policy include:

- a. Members intolerant to a generic medication. The prescribing clinician shall submit a prior authorization request, providing clinical justification for the brand name medication, to the contracted PBM; and
 - b. AHCCCS has determined that the brand name medication is less costly to the program.
2. May utilize step therapy to ensure that the most clinically appropriate cost-effective drug is prescribed and tried by the member prior to prescribing a more costly clinically appropriate medication.

Exceptions to this requirement include members enrolled in an AHCCCS Contractor, who have been stabilized on a medication and are transitioning from a T/RBHA to a PCP or to a PCP from a T/RBHA for their behavioral health needs. The medication, prescribed by the transferring clinician, must be clinically appropriate and continued at the point of transition.

3. May utilize prior authorization to ensure clinically appropriate medication use. Requests submitted for prior authorization of a medication must be evaluated for clinical appropriateness based on the strength of the scientific evidence and standards of practice that include, but are not limited to, the following:
- a. Food and Drug Administration (FDA) approved indications and limits;
 - b. Published practice guidelines and treatment protocols;
 - c. Comparative data evaluating the efficacy, type and frequency of side effects, and potential drug interactions among alternative products as well as the risks, benefits and potential member outcomes;
 - d. Member adherence impact;
 - e. Drug Facts and Comparisons;
 - f. American Hospital Formulary Service Drug Information;
 - g. United States Pharmacopoeia;
 - h. DRUGDEX Information System;
 - i. UpToDate;
 - j. MicroMedex;
 - k. Peer reviewed medical literature, including randomized clinical trials, outcomes, research data and pharmaco-economic studies; and
 - l. Other reference sources.

All federally and state reimbursable drugs that are not listed on the AHCCCS FFS Drug Lists shall be available through the prior authorization process.

Prescribers may submit a prior authorization request to the AHCCCS FFS PBM, OptumRx, for review and coverage determination. The Prior Authorization Form can be found in:

- The FFS Provider Billing Manual as Exhibit 12-1 under the Pharmacy Services chapter.
- The IHS/Tribal Provider Billing Manual as Exhibit 10-1 under the Pharmacy Services chapter.

The Prior Authorization Form is also available on the AHCCCS website at www.azahccc.gov under the Pharmacy Section. Under this section click on Pharmacy and then go to Pharmacy Member Information - American Indian Health Program. The Drug Prior Authorization Form is listed under this section.

<https://www.azahcccs.gov/PlansProviders/Downloads/PharmacyUpdates/AHCCCSFFSOptumRxDrugPriorAuthorizationRequestForm.10.1.2015.pdf>

4. May cover an over-the-counter medication when it is prescribed in place of a covered prescription medication that is clinically appropriate, equally safe and effective, and less costly than the covered prescription medication.
5. Requires federally and state reimbursable drugs dispensed by an IHS/638 facility pharmacy to be submitted to the AHCCCS FFS PBM, OptumRx, for claims adjudication for reimbursement of the AIR and Specialty Medications.

AHCCCS Pharmacy Benefit Exclusions

The following are excluded from coverage under the outpatient FFS pharmacy benefit:

1. DESI Drugs that are determined to be “less than fully effective” by the Food and Drug Administration;
2. Experimental/Research Drugs;
3. Medications furnished solely for cosmetic purposes;
4. Cosmetic Drugs for Hair Growth;
5. Nutritional/Diet Supplements;
6. Blood and Blood Plasma Products;
7. Drugs and Products to Promote Fertility;
8. Drugs used for Erectile Dysfunction Drugs;
9. Drugs from manufacturers that do not participate in the FFS Medicaid Drug Rebate Program;
10. Diagnostic /Medical Supplies except:
 - a. Syringes
 - b. Needles
 - c. Lancets

- d. Alcohol Swabs
- e. Blood Glucose Meters and Test Strips
- f. Inhaler Sprays
- 11. Intrauterine Devices;
- 12. Outpatient medications for members under the Federal Emergency Services Program, except for dialysis related medications for Extended Services individuals;
- 13. Medical Marijuana (refer to AMPM Policy 320-M); and
- 14. Drugs eligible for coverage under Medicare Part D for AHCCCS members eligible for Medicare whether or not the member obtains Medicare Part D coverage

Prescription Drug Coverage, Billing Limitations and Prescription Delivery

1. A new prescription or refill prescription in excess of a 30-day supply is not covered unless:
 - a. The medication is prescribed for chronic illness and the prescription is limited to no more than a 90-day supply;
 - b. The member will be out of the provider's service area for an extended period of time and the prescription is limited to the extended time period, not to exceed 90 days; or
 - c. The medication is prescribed for contraception and the prescription is limited to no more than a 90-day supply.
2. Prescription drugs for covered transplantation services will be provided in accordance with AHCCCS transplantation policies as outlined in AMPM 310-DD.
3. AHCCCS may cover the following for persons diagnosed with SMI and AHCCCS members who are eligible to receive Medicare:
 - a. Over the counter medications that are not covered as part of the Medicare Part D prescription drug program and the drug is prescribed in place of a covered prescription medication that is clinically appropriate, equally safe and effective, and less costly than the covered prescription medication; and
 - b. A drug that is excluded from coverage under Medicare Part D by CMS and the drug is medically necessary and federally and state reimbursable.
4. Drugs personally dispensed by a physician or dentist, or other authorized prescriber are not covered. Exceptions may be granted upon application and approval by AHCCCS for registration as a pharmacy provider in geographically remote areas where there is no participating pharmacy.

5. Pharmacies shall not charge a member the cash price for a prescription, other than an applicable copayment, when the medication is federally and state reimbursable and the prescription is ordered by an AHCCCS Registered Prescribing Clinician.
6. Pharmacies shall not split bill the cost of a prescription claim to AHCCCS or its Contractors' PBMs for an AHCCCS member. Contractors' PBMs Pharmacies shall not allow a member to pay cash for a partial prescription quantity for a federally and state reimbursable medication when the ordered drug is written by an AHCCCS Registered Prescribing Clinician.
7. Pharmacies are prohibited from auto-filling prescription medications.
8. Pharmacies that purchase drugs at a Nominal Price outside of 340B or the Federal Supply Schedule shall bill their Actual Acquisition Cost of the drug.
9. Pharmacies, at their discretion, may deliver or mail prescription medications to an AHCCCS member or to an AHCCCS registered provider's office for a specific AHCCCS member.

Prior Authorization Requirements for Long-Acting Opioid Medications

1. PA is required for all long-acting opioid prescription medications unless the member's diagnosis is one of the following:
 - a. Active oncology diagnosis with neoplasm related pain.
 - b. Hospice care, or
 - c. End of life care (other than hospice).

The prescriber shall obtain approval or an exception for all long-acting opioid prescription medications from the AHCCCS FFS PBM.

5-Day Supply Limit of Prescription Short-Acting Opioid Medications

1. **Members under 18 years of age**
 - a. Except as otherwise specified in (b) of this Section, *Conditions and Care Exclusion from the 5-day Supply Limitation*, a prescriber shall limit the **initial**

and refill prescriptions for any short-acting opioid medication for a member under 18 years of age to no more than a 5-day supply,

An **initial** prescription for a short-acting opioid medication is one in which the member has not previously filled any prescription for a short-acting opioid medication within 60 days of the date of the pharmacy filling the current prescription as evidenced by the member's PBM prescription profile,

- b. Conditions and Care Exclusion from the 5-day Supply Limitation:
 - i. The **initial and refill** prescription 5-day supply limitation for short-acting opioid medications *does not* apply to prescriptions for the following conditions and care instances:
 - 1) Active oncology diagnosis,
 - 2) Hospice care,
 - 3) End-of-life care (other than hospice),
 - 4) Palliative Care,
 - 5) Children on opioid wean at time of hospital discharge,
 - 6) Skilled nursing facility care,
 - 7) Traumatic injury, excluding post-surgical procedures, and
 - 8) Chronic conditions for which the provider has received PA approval through the Contractor.
 - ii. The **initial** prescription 5-day supply limitation for short-acting opioid medications does not apply to prescriptions for post-surgical procedures. However, initial prescriptions for short-acting opioid medications for post-surgical procedures are limited to a supply of no more than 14 days. Refill prescriptions for short-acting opioid medications for post-surgical procedures are limited to no more than a 5-day supply.

For additional information on the exclusions, refer to Attachment B.

For additional information on the traumatic injury ICD-10 codes, refer to Attachment C.

2. Members 18 years of age and older

- a. Except as otherwise specified in Section G(2)(b), *Conditions and Care Exclusion from the 5-day Supply Limitation*, a prescriber shall limit the **initial** prescription for any short-acting opioid medication for a member 18 years of age and older to no more than a 5-day supply.

An **initial** prescription for a short-acting opioid medication is one in which the member has not previously filled any prescription for a short-acting opioid medication within 60 days of the date of the pharmacy filling the current prescription as evidenced by the member's PBM prescription profile,

- b. Conditions and Care Exclusion from the 5-day Initial Supply Limitation. The

initial prescription 5-day supply limitation for short-acting opioid medications *does not* apply to prescriptions for the following conditions and care instances:

- i. Active oncology diagnosis,
- ii. Hospice Care,
- iii. Palliative Care,
- iv. Skilled nursing facility care,
- v. Traumatic injury, excluding post-surgical procedures, and
- vi. Post-surgical procedures.

Initial prescriptions for short-acting opioid medications for post-surgical procedures are limited to a supply of no more than 14 days.

For additional information on the exclusions, refer to Attachment B.

For additional information on the traumatic injury ICD-10 codes, refer to Attachment C.

Additional Federal Opioid Legislation (Support Act P.L. 115-271) Monitoring Requirements

AHCCCS and the AHCCCS PBM shall implement automated processes to monitor the following:

- Opioid safety edits at the Point-of-Sale;¹
- Member utilization when the cumulative current utilization of opioid(s) is a Morphine Daily Equivalent Dose of greater than 90;
- Members with concurrent use of an opioid(s) in conjunction with benzodiazepine(s) and/or an antipsychotic(s).
- Antipsychotic prescribing for children; and
- Fraud, Waste and Abuse by enrolled members, pharmacies and prescribing clinicians.

Naloxone

Naloxone is a prescription medication that reverses the effects of an opioid overdose. AHCCCS FFS covers and considers Naloxone an essential prescription

medication to reduce the risk and prevent an opioid overdose death. AHCCCS requires a prescription, ordered by an AHCCCS registered provider, be on file at the pharmacy when Naloxone is dispensed to or for a specific AHCCCS member.

1. A Standing Order written by the Director of the Arizona Department of Health Services is on file at all Arizona pharmacies.
2. Eligible candidates that may obtain Naloxone include but are not limited to:
 - a) Members:
 - i. Using illicit or non-prescription opioids with a history of such use;
 - ii. With a history of opioid misuse, intoxication, and/or a recipient of emergency medical care for acute opioid poisoning;
 - iii. Prescribed high dose opioid prescriptions of 90 MEDD or less if there are other risk factors;
 - iv. Prescribed an opioid with a known or suspected concurrent alcohol use,
 - v. From opioid detoxification and mandatory abstinence programs;
 - vi. Treated with methadone for addiction or pain;
 - vii. With an opioid addiction and smoking/COPD or other respiratory illness or obstruction;
 - viii. Prescribed opioids who also have renal, hepatic, cardiac or HIV/AIDs disease;
 - ix. Who may have difficulty accessing emergency services; and/or
 - x. Assigned to a pharmacy and or prescribing clinician.
 - b) Persons who voluntarily request Naloxone and are the family member or friend of a member at risk of experiencing an opioid related overdose, and
 - c) Persons who voluntarily request Naloxone and are in the position to assist a member at risk of experiencing an opioid related overdose.
3. AHCCCS FFS covers the following:
 - a. Naloxone Solution plus syringes,
 - b. Naloxone Nasal Spray known as Narcan Nasal Spray, and
 - c. Refills of the above Naloxone products on an as needed basis.
4. Every member or member's representative shall be educated on the use of Naloxone by the pharmacist dispensing the medication in accordance with Arizona State Board of Pharmacy Regulations.
5. Naloxone is contraindicated for members with a known history of hypersensitivity to Naloxone or any of its ingredients.

AHCCCS Pharmacy Benefit Manager (PBM)

As of 4/1/2019, IHS/638 pharmacies must submit all Fee-For-Service and KidsCare prescription claims electronically at the point-of-sale to the AHCCCS FFS PBM, OptumRx.

All prescription claims for the AIR and Specialty Medication Plans shall be submitted at the pharmacy's Actual Acquisition Cost (AAC).

For AIR and Specialty Medication claims, the submitted ingredient cost (AAC) must be submitted using the BIN: 001553 and the PCN: AIRAZM.

If the claim's AAC is greater than the AIR, the pharmacy staff must also submit the clarification code of 09 when adjudicating the claim with the FFS PBM.

Claims submitted with the "09" clarification code will be reimbursed at the following lesser of logic:

AAC or Wholesale Acquisition Cost (WAC) plus a Professional Dispensing Fee.

Claims submitted for KidsCare must use the BIN: 001553 and the PCN:AZM.

Please refer to the Contractor Pharmacy Grid for additional claims submission information.

Reimbursement shall be in accordance with the contract between the PBM and the IHS/638 Pharmacy.

The OptumRx Help Desk is available 24 hours per day and 365 days per year. For information or assistance with prescription claims, prior authorization, contracted network pharmacies, or the AHCCCS FFS Drug List, please contact the OptumRx Customer Service Help Desk at (855) 577-6310.

The OptumRx Prior Authorization Department's hours of operation are:

Monday through Friday: 7:00 AM – 6:00 PM Central Standard Time
Saturday: 8:00 AM – 4:30 PM Central Standard Time

For assistance with online claim submissions, contact the OptumRx Customer Service Help Desk at 855-577-6310.

Some medications on the AHCCCS Drug List require prior authorization approval from OptumRx. If a prescription claim rejects at the point-of-sale for "NDC Not Covered" or "Prior Authorization Required," the pharmacist should contact the prescribing clinician to request an alternative on the AHCCCS FFS Drug List. If there is not an available alternative medication, the pharmacist should inform the prescriber that a prior authorization request for the medication must be submitted to the PBM for review.

- All prior authorization requests must be submitted by the prescribing clinician to OptumRx.
- The OptumRx PA Request Form (See Exhibit 12-1) is to be faxed to **866-463-4838**.
- Prior Authorizations may be faxed 24 hours per day, 7 days per week, and 365 days per year.

For prescriptions filled prior to date of service 4/1/19, IHS/638 pharmacies should submit the Fee-For-Service prescription claims to the AHCCCS Administration. KidsCare claims for prescriptions filled prior to, on, or after date of service 4/1/19, should be submitted to OptumRx.

After Hours PBM Instructions

After 5:00 p.m. on weekdays, on weekends, and holidays, please contact the OptumRx Customer Service Desk, at (855) 577-6310 for an override if the medication is for:

- A hospital discharge,
- Members transitioning from one level of care to another,
- Urgent care or emergency room prescriptions, and/or
- Other emergent situations.

Return of and Credit for Unused Medications

The AHCCCS FFS Program and its Contractors shall require the return of unused medications to the outpatient pharmacy from nursing facilities (NFs) upon the discontinuance of prescriptions due to the transfer, discharge or death of a Medicaid member. A payment credit shall be issued for unused prescription medications by the outpatient pharmacy to the AHCCCS FFS PBM.. The pharmacy may charge a reasonable restocking fee as agreed upon with the AHCCCS FFS Program and/or its PBM.

The return of unused prescription medication shall be in accordance with Federal and State laws. Arizona Administrative Code (A.A.C. R4-23-409) allows for this type of return and the redistribution of medications under certain circumstances.

Documentation must be maintained and must include the quantity of medication dispensed and utilized by the member. A credit must be issued to AHCCCS FFS when the unused medication is returned to the pharmacy for redistribution.

Medications, that are not picked up at the pharmacy within 15 days of the date of service, shall be returned to stock and electronically credited back to AHCCCS through the claims adjudication process with the FFS PBM.

Discarded Physician-Administered Medications

Discarded federally and state reimbursable physician-administered medications shall not be billed to AHCCCS at the point-of sale or as a medical claim. A.A.C. R9-22-209(C) provides that pharmaceutical services are covered only if they are prescribed. The unused portion of a physician-administered drug is not covered because it's not medically necessary or prescribed.

A.R.S. §36-2918(A)(1) prohibits a person from making a claim for an item or service that the person knows or has reason to know was not provided as claimed.

A.R.S. §36-2918(A)(3)(b) prohibits a person from submitting a claim for items and services that substantially exceed the needs of the patient.

Prior Authorization Protocol for Smoking Cessation Aids

AHCCCS has established a prior authorization protocol for smoking cessation aids. Please refer to the AHCCCS Medical Policy Manual (AMPM) Policy 320-K, Tobacco Cessation Product Policy for additional information.

Vaccines and Emergency Medications Administered by Pharmacists to Members 19 Years of Age and Older

AHCCCS covers vaccines and emergency medication for adults without a prescription order when administered by a pharmacist or an intern at the pharmacy, who is currently licensed and certified by the Arizona State Board of Pharmacy consistent with the limitations of this Policy and state law A.R.S §32-1974.

IHS and 638 Pharmacies may bill the outpatient AIR one time which includes the cost and the administration of the vaccine, when administered by a pharmacist or intern.

The AIR claim, which covers the administration and the cost of the vaccine, counts as the one pharmacy AIR that can be billed per member per day per facility, and applies to medications and vaccines.

IHS and 638 pharmacies may bill the outpatient all-inclusive rate when the pharmacist/intern administers an adult vaccine to a member at the pharmacy, as noted above. The claim shall only be submitted to the FFS PBM for the AIR claim's adjudication.

i.e. A member goes to a pharmacy and has two prescriptions filled, and receives a vaccine administered by the pharmacist. The facility shall not bill for any of these services. The

pharmacy may bill **one AIR** for the two prescriptions and the cost and administration of the vaccine.

When billing for a vaccine or medication administered by pharmacists or interns, the facility may not submit a claim to AHCCCS for the administration of the vaccine in addition to the pharmacy billing the PBM for the cost of the vaccine/medication.

For purposes of this section “Emergency Medication” means emergency epinephrine and diphenhydramine. “Vaccines” are limited to AHCCCS covered vaccines for adults as noted in the AHCCCS Medical Policy Manual (AMPM) Policy 310-M, Immunizations.

In addition to the requirements specified in A.R.S. § 32-1974, AHCCCS requires the following:

1. The pharmacy providing the vaccine must be an AHCCCS registered provider;
2. IHS and 638 Pharmacies must be registered with AHCCCS; and
3. The AHCCCS member receiving the vaccine must be age 19 years or older.

AHCCCS retains the discretion to determine the coverage of vaccines administered by pharmacists/interns and coverage is limited to the FFS PBM Network Pharmacies.

Prior Authorization Criteria for Direct Acting Antiviral Treatment for Hepatitis C

AHCCCS has established a prior authorization protocol for direct acting antiviral treatment for Hepatitis C. Refer to the AHCCCS Medical Policy Manual (AMPM) Policy 320-N, Hepatitis C (HCV) Prior Authorization Requirements for Direct Acting Antiviral Medication Treatment for further information.

Billing for Pharmacy Services

Prescription medications may be reimbursed by the AHCCCS Administration or the Fee-For-Service (FFS) Pharmacy Benefit Manager (PBM), OptumRx, depending upon the member’s enrollment and filling pharmacy and the date the prescription was filled.

For prescriptions filled on date of service 4/1/19 or after:

Program/ Member Type	Member Enrollment Type	Dispensing Pharmacy	Claims Shall Be Submitted To:	PBM BINs & PCNs	Clarification Claims Submission Code
Title XIX	AIHP, ACC, CMDP,	All IHS/638	OptumRx ^[LA3]	BIN: 001553	None

(All Inclusive Rate Plan)	DDD or TRBHA ^[LA1] ^[LA2]	Pharmacies		PCN: AIRAZM	
Title XIX (Specialty Medication Plan)	AIHP, ACC, CMDP, DDD or TRBHA ^[LA1] ^[LA2]	All IHS/638 Pharmacies	OptumRx ^[LA3]	BIN: 001553 PCN: AIRAZM	09
Title XXI (KidsCare)	AIHP & TRBHA	All IHS/638	OptumRx	BIN: 001553 PCN: AZM	02
Title XXI (KidsCare)	CMDP	All IHS/638 Pharmacies	OptumRx	BIN: 001553 PCN: AZMCM DP	02
Title XXI (KidsCare)	DDD	All IHS/638 Pharmacies	OptumRx	BIN: 001553 PCN: AZMDDD	02
Title XIX	AIHP & TRBHA	Non-IHS/638 OptumRx PBM Network Pharmacies	OptumRx	BIN: 001553 PCN: AZM	None
Title XXI (KidsCare)	AIHP & TRBHA	Non-IHS/638 OptumRx PBM Network Pharmacies	OptumRx	BIN: 001553 PCN: AZM	None
Title XIX	ACC Plans, with the exception of CMDP, DDD and AIHP	ACC PBM Network Pharmacies	The ACC PBM (*See Note Below)	See ACC PBM for details	See ACC PBM for details
Title XXI (KidsCare)	ACC Plans, with the exception of CMDP, DDD, and AIHP	All IHS/638 Pharmacies & ACC PBM Network Pharmacies	The ACC's PBM (*See Note Below)	BINs and PCNs Vary by ACC Plan	None

*For a list of ACC Plans and their contracted PBMs, please click on the link below to the AHCCCS FFS and MCO Contractors BIN, PCN, and Group ID's memo:

https://www.azahcccs.gov/PlansProviders/Downloads/PharmacyUpdates/Bin_PCN_100118.pdf

For prescriptions filled prior to date of service 4/1/19:

Program/Member Type	Enrollment in AIHP, AHCCCS Complete Care	Pharmacy Dispensing Medication	Claims Shall Be Submitted To:
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	(ACC), or TRBHA		
Title XIX Members	AIHP and ACC	IHS/638 Pharmacies	AHCCCS Administration
Title XIX Members	AIHP	Non-IHS/638 PBM Network Pharmacies	AHCCCS Administration
Title XIX Members	ACC	Non-IHS/638 PBM Network Pharmacies	The ACC PBM
Title XXI Members	KidsCare Members Enrolled in AIHP or AIHP and a TRBHA	All IHS, 638 and Non-IHS/638 PBM Network Pharmacies	FFS PBM – OptumRx

The AIR may be billed for adults 19 years of age and older, when a prescription is filled at and dispensed by an IHS/638 facility pharmacy to the member. The AIR for prescription services may be billed once daily, per member, per facility pharmacy. The maximum number of AIRs that may be billed daily is 5 per facility per member and they must be for non-duplicative visits.

Example: A member is seen at an IHS 638 facility and has a dental visit, a PCP visit, and is prescribed 1 medication during the dental visit for pain and 2 medications during the PCP visit. All visits occur at the same IHS 638 facility. The member has all 3 prescriptions filled on the same day.

In this scenario three AIRs may be billed for reimbursement. One AIR may be billed for each of the following:

- The dental visit;
- The PCP visit; and
- All 3 prescriptions.

The claim submitted for the three prescriptions must include all 3 NDC codes.

All Inclusive Rate (AIR) Claims Billing Specifications for Title XIX AHCCCS Members

Effective 4/1/2019, IHS/638 pharmacies billing prescription claims at the AIR, for medications and vaccines dispensed or administered at the pharmacy, shall submit all prescription claims to OptumRx for Title XIX members.

For dates of service prior to and through 3/31/19,

IHS/638 pharmacies billing prescription claims at the AIR, for medications and vaccines dispensed or administered at the pharmacy, shall submit all prescription claims to the AHCCCS administration for Title XIX members.

All Inclusive Rate Claims Billing for Title XIX Dual Eligible Members

Medicare Part D

AHCCCS and its Contractors are prohibited from using federal and state dollars to pay for any part of cost sharing for Medicare Part D claims.

The AIR may be billed for Dual Eligibles, members who are enrolled in AHCCCS under Title XIX and also eligible for Medicare, for prescription claims when:

- a. The medication is listed on the AHCCCS FFS OTC / Dual Eligible Drug List;
- b. The medication is excluded from coverage under Medicare Part D by CMS and the drug is medically necessary and federally and state reimbursable; and
- c. Excluded medications will require prior authorization approval.

Medicare Part B

AHCCCS and its Contractors shall reimburse IHS/638 Tribal Pharmacies up to 20% of Medicare Part B reimbursement amount. All claims shall be submitted to the member's enrolled health plan's PBM. Claims for AHCCCS Fee-For-Service members shall be submitted to OptumRx for adjudication with the primary payment from Medicare.

The AIR shall not be reimbursed for:

- a. Medications eligible for coverage under Medicare Part D.
- b. Part B covered drugs, blood glucose meters, strips, lancets and other devices and syringes.
- c. Medicare Part D drugs, devices, and syringes when the member is eligible for Medicare and the member has opted out of Medicare Part D.

For Medicare Part B, AHCCCS is the secondary payer for these claims and will reimburse up to 20 percent of the Medicare Part B payments. Pharmacies must be Medicare certified in order to bill Medicare.

Reimbursement shall not be provided for Medicare Part B when the member has opted out of Medicare Part B.

Over the Counter (OTC) Medications (Not Covered by Medicare Part D as the Primary Payer)

AHCCCS has a Dual Eligible Drug List of OTC products. Members eligible for or enrolled in Medicare are noted on the eligibility file sent to OptumRx. AHCCCS is the primary payer for the OTC products listed on the Dual Eligible Drug List and the claims shall be submitted to OptumRx for adjudication and reimbursement.

Claims for Title XXI KidsCare Members

Pharmacy claims for Title XXI (KidsCare) Members must be submitted to OptumRx, the FFS PBM, as described in this chapter.

KidsCare claims are not eligible for reimbursement at the All Inclusive Rate.

Inpatient and In-Clinic Medications

Medications administered in clinics are not billable for the AIR.

Medications provided to members when they are an inpatient are included in the inpatient All Inclusive Rate, and are not billable as a separate AIR (for medications).

340B Reimbursement

A.R.S. §36-2930.03 requires:

1. 340B covered entities to submit AHCCCS Member point-of-sale prescription and physician-administered drug claims, that are identified on the 340B pricing file, whether or not the drugs are purchased under the 340B drug pricing program at the lesser of:
 - a. The actual acquisition cost, or
 - b. The 340B ceiling price.
2. Drugs dispensed to AHCCCS members by a 340B covered entity pharmacy shall be reimbursed a professional fee.
3. Drugs administered to AHCCCS members by a 340B covered entity provider shall not be reimbursed a professional fee.
4. The administration and its contractors shall not reimburse 340B Contracted Pharmacies for drugs that are purchased, dispensed or administered as part of or subject to the 340B drug pricing program.

Licensed hospitals and outpatient facilities that are owned or operated by a licensed hospital are excluded from this statute.

For additional details on claim submission and reimbursement refer to A.R.S. §36-2930.03

A.A.C. R-9-22-710(C) describes the reimbursement methodology to be used by AHCCCS and its Contractors for Federally Qualified Health Center (FQHC) and FQHC Look-Alike Pharmacies for 340B drugs as well as reimbursement for Contract Pharmacies that have entered into a 340B drug purchasing arrangement with any 340B entity. The Rule also specifies reimbursement for FQHC and FQHC Look-Alike Pharmacies for drugs, which are not part of the 340B Drug Pricing program. The rule is located on the A.A.C. R9-22-709.

Behavioral Health Medication Coverage

For information about prescription medication coverage for behavioral health please refer to the AMPM 310-V, Prescription Medications-Pharmacy Services, Section C.

Informed Consent

Informed consent shall be obtained from the member/guardian/designated representative for each psychotropic medication prescribed. The comprehensive clinical record shall include documentation of the essential elements for obtaining informed consent. Essential elements for obtaining informed consent for medication are contained within Attachment A. The use of Attachment A is recommended as a tool to document informed consent for psychotropic medications. [Additional information is contained in AMPM Policy 320-Q.](#)

Youth Assent

Youth under the age of 18 are to be educated on options, allowed to provide input, and encouraged to assent to medication(s) being prescribed. Information is discussed with the youth in a clear and age-appropriate manner consistent with the developmental needs of the youth.

The information to be shared shall be consistent with the information shared in obtaining informed consent from adults.

Discussion of the youth's ability to give consent for medications at the age of 18 years old is begun no later than age 17½ years old, especially for youth who are not in the custody of their parents.

Special attention shall be given to the effect of medications on the reproductive status and pregnancy, as well as long term effects on weight, abnormal involuntary movements, and other health parameters.

Evidence of the youth's consent to continue medications after his/her 18th birthday may be documented through use of Attachment A.

Complementary and Alternative Medicine

Complementary and Alternative Medicine is not AHCCCS reimbursable.

Medication Prescribing for Opioid Use Disorder

Medication Assisted Treatment (MAT) is the use of medications in combination with counseling and behavioral therapies for the treatment of substance use disorders. A combination of medication and behavioral therapies is effective in the treatment of substance use disorders, and can help some people to sustain recovery.

The AHCCCS Administration and its Contractors shall provide coverage for medically necessary, cost-effective, and federally and state reimbursable behavioral health medications prescribed by a PCP when used to treat Opioid Use Disorder (OUD). For OUD the PCP must refer the member to a behavioral health provider for the psychological and/or behavioral therapy component of the MAT model and coordinate care with the behavioral health provider.

For further information regarding MAT please refer to AMPM 510, Primary Care Providers.

References

- The AHCCCS Medical Policy Manual (AMPM) can be found at <https://www.azahcccs.gov/shared/MedicalPolicyManual/>.
- Refer to AMPM 310-V Prescription Medications/Pharmacy Services for further information about pharmacy coverage.
- Refer to AMPM-510 Primary Care Providers for further information about Opioid Use Disorders and Medication Assisted Treatments.
- Refer to AMPM Policy 320-K, Tobacco Cessation Product Policy for further information about smoking cessation aids.
- Refer to AMPM 320-N, Hepatitis C (HCV) Prior Authorization Requirements for Direct Acting Antiviral Medication Treatment for further information about Direct Acting Antiviral Medication Treatments for Hepatitis C.
- Refer to AMPM Policy 320-M, Medical Marijuana for further information on medical marijuana.

- Section 1903(i)(10) of the Social Security Act as amended by Section 6033 of the Deficit Reduction Act of 2005
- Center for Medicare and Medicaid Services (CMS) State Medicaid Director Letter dated March 22, 2006
- Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) section 1860D-2(e)(2)(A) as amended by Section 175.
- Arizona Revised Statute § 32-1974
- Arizona Administrative Code R-9-22-710

Revision History

Date	Description of changes	Page(s)
8/2/19	<p>Clarification added to the Covered Services section:</p> <ul style="list-style-type: none"> • The AHCCCS FFS OTC/Dual Eligible Drug List name was updated. • Added: <ul style="list-style-type: none"> ○ "...which include preferred drugs and procedures for requests for non-preferred agents." ○ "Medications not listed are available through the prior authorization process." <p>Updated Specific Parameters of the AHCCCS FFS Pharmacy Benefit section:</p> <ul style="list-style-type: none"> • #2 updated to: "Exceptions to this requirement include members enrolled in an AHCCCS Contractor, who have been stabilized on a medication and are transitioning from a T/RBHA to a PCP or to a PCP from a T/RBHA for their behavioral health needs." • Added directions and website link for the Pharmacy PA Form. • #5 updated to: "Requires federally and state reimbursable drugs dispensed by an IHS/638 facility pharmacy to be submitted to the AHCCCS FFS PBM, OptumRx, for claims adjudication for reimbursement of the AIR and Specialty Medications." <p>Note added: "NOTE: For additional information on pharmacy claims at IHS/638 facilities please refer to Chapter 8,</p>	<p>1</p> <p>1</p> <p>1</p> <p>2</p> <p>3</p> <p>3</p> <p>3</p>

	<p>Pharmacy Services, of the IHS Tribal Provider Billing Manual.”</p> <p>Updated FFS Pharmacy Exclusions section:</p> <ul style="list-style-type: none"> • #3 now reads as: “Medications furnished solely for cosmetic purposes.” 3 • Added #12, #13 and #14: . 4 <ul style="list-style-type: none"> 12. Outpatient medications for members under the Federal Emergency Services Program, except for dialysis related medications for Extended Services individuals; 4 13. Medical Marijuana (refer to AMPM Policy 320-M); and 4 14. Drugs eligible for coverage under Medicare Part D for AHCCCS members eligible for Medicare whether or not the member obtains Medicare Part D coverage 4 <p>Section title updated to “Prescription Drug Coverage, Billing Limitations and Prescription Delivery”</p> <p>Updated 100 days to 90 days in this section. 4</p> <ul style="list-style-type: none"> • #3 updated to say “AHCCCS may cover the following for persons diagnosed with SMI and AHCCCS members who are eligible to receive Medicare:” 4 • #s 5, 6, 7, 8 and 9 added to section: 4 <ul style="list-style-type: none"> 5. Pharmacies shall not charge a member the cash price for a prescription, other than an applicable copayment, when the medication is federally and state reimbursable and the prescription is ordered by an AHCCCS Registered Prescribing Clinician. 5 6. Pharmacies shall not split bill the cost of a prescription claim to AHCCCS or it Contractors’ PBMs for an AHCCCS member. Contractors’ PBMs Pharmacies shall not allow a member to pay cash for a partial prescription quantity for a federally and state reimbursable medication when the ordered drug is written by an AHCCCS Registered Prescribing Clinician. 5 7. Pharmacies are prohibited from auto-filling prescription medications. 5 8. Pharmacies that purchase drugs at a Nominal Price outside of 340B or the Federal Supply Schedule shall bill their Actual Acquisition Cost of the drug. 5 	
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	<p>9. Pharmacies, at their discretion, may deliver or mail prescription medications to an AHCCCS member or to an AHCCCS registered provider’s office for a specific AHCCCS member.</p>	<p>5</p>
	<p>Section added on Prior Authorization Requirements for Long-Acting Opioid Medications</p>	<p>5</p>
	<p>Section added on 5-Day Supply Limit of Prescription Short-Acting Opioid Medications</p>	<p>5-6</p>
	<p>Section added on Additional Federal Opioid Legislation (Support Act P.L. 115-271) Monitoring Requirements</p>	<p>6-7</p>
	<p>Section added on Naloxone</p>	<p>7-8</p>
	<p>Updated AHCCCS PBM section with: NOTE: As of 4/1/2019, IHS/638 pharmacies must submit all Fee-For-Service and KidsCare prescription claims electronically at the point-of-sale to the AHCCCS FFS PBM, OptumRx. For prescriptions filled with a date of service prior to 4/1/19 at an IHS/638 pharmacy, the IHS/638 pharmacy should submit the Fee-For-Service prescription claim to the AHCCCS Administration. KidsCare claims for prescriptions filled prior to, on, or after date of service 4/1/19, by an IHS/638 pharmacy, should be submitted to OptumRx.</p>	<p>9</p>
	<p>All prescription claims for the AIR and Specialty Medication Plans shall be submitted at the Actual Acquisition Cost (AAC).</p>	<p>9</p>
	<p>For AIR and Specialty Medication claims, the submitted ingredient cost (AAC) must be submitted using the BIN: 001553 and the PCN: AIRAZM.</p>	<p>9</p>
	<p>If the claim’s AAC is greater than the AIR, the pharmacy staff must also submit the clarification code of 09 when adjudicating the claim with the FFS PBM.</p>	<p>9</p>
	<p>Claims submitted with the “09” clarification code will be reimbursed at the following lesser of logic: AAC or Wholesale Acquisition Cost (WAC) plus a</p>	<p>9</p>

	Professional Dispensing Fee.	
	Claims submitted for KidsCare must use the BIN: 001553 and the PCN:AZM.	9
	Please refer to the Contractor Pharmacy Grid for additional claims submission information.	9
	Reimbursement shall be in accordance with the contract between the PBM and the IHS/638 Pharmacy.	9
	Return of and Credit for Unused Medications	10
	<ul style="list-style-type: none"> Updated: “A credit must be issued to AHCCCS FFS when the unused medication is returned to the pharmacy for redistribution.” (Blue is new language) 	10
	<ul style="list-style-type: none"> “Added: “Medications, that are not picked up at the pharmacy within 15 days of the date of service, shall be returned to stock and electronically credited back to AHCCCS through the claims adjudication process with the FFS PBM.” 	10
	Updated: “Discarded federally and state reimbursable physician-administered medications shall not be billed to AHCCCS at the point-of sale or as a medical claim. ”	11
	Comprehensively updated the Vaccines and Emergency Medications Administered by Pharmacists to Members 19 Years of Age and Older section.	11-12
	Added: “The AIR claim, which covers the administration and the cost of the vaccine, counts as the one pharmacy AIR that can be billed per member per day per facility and applies to medications and vaccines.	11-12
	IHS and 638 pharmacies may bill the outpatient all-inclusive rate when the pharmacist/intern administers an adult vaccine to a member at the pharmacy, as noted above. The claim shall only be submitted to the FFS PBM for the AIR claim’s adjudication.	
	i.e. A member goes to a pharmacy and has two prescriptions filled, and receives a vaccine administered by the pharmacist. The facility shall not bill for any of these	

	<p>services. The pharmacy may bill one AIR for the two prescription and the cost and administration of the vaccine.</p> <p>When billing for a vaccine or medication administered by pharmacists or interns, the facility may not submit a claim to AHCCCS for the administration of the vaccine in addition to the pharmacy billing the PBM for the cost of the vaccine/medication.</p> <p>For purposes of this section “Emergency Medication” means emergency epinephrine and diphenhydramine. “Vaccines” are limited to AHCCCS covered vaccines for adults as noted in the AHCCCS Medical Policy Manual (AMPM) Policy 310-M, Immunizations.</p> <p>In addition to the requirements specified in A.R.S. § 32-1974, AHCCCS requires the following:</p> <ol style="list-style-type: none"> 4. The pharmacy providing the vaccine must be an AHCCCS registered provider; 5. IHS and 638 Pharmacies must be registered with AHCCCS; and 6. The AHCCCS member receiving the vaccine must be age 19 years or older. “ <p>Comprehensive updates to the Billing for Pharmacy Services section.</p> <ul style="list-style-type: none"> • Updated verbiage: “Prescription medications may be reimbursed by the AHCCCS Administration or the Fee-For-Service (FFS) Pharmacy Benefit Manager (PBM), OptumRx, depending upon the member’s enrollment and filling pharmacy and the date the prescription was filled.” • Created a new grid for prescriptions filled with a date of service of 4/1/19 or after. • Updated the grid for prescriptions filled with a date of service prior to 4/1/19. • Updated verbiage: The AIR may be billed for adults 19 years of age and older, when a prescription is filled at and dispensed by an IHS/638 facility pharmacy to the member. The AIR for prescription services may be billed once daily, per member, per facility pharmacy. The maximum number of AIRs that may be billed daily is 5 per facility per member and they must be for non-duplicative visits. 	<p>12-14</p> <p>12</p> <p>12-13</p> <p>13-14</p> <p>14</p>
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	<p>Section updated on AIR Claims Billing Specifications for Title XIX AHCCCS Members</p> <ul style="list-style-type: none"> • Added: “Effective 4/1/2019, IHS/638 pharmacies billing prescription claims at the AIR, for medications and vaccines dispensed or administered at the pharmacy, shall submit all prescription claims to OptumRx for Title XIX members.” • Updated: <u>For dates of service prior to and through 3/31/19, IHS/638 pharmacies</u> billing prescription claims at the AIR, for medications and vaccines dispensed or administered at the pharmacy, shall submit all prescription claims to the AHCCCS administration for Title XIX members. <p>Section updated on AIR Claims Billing for Title XIX Dual Eligible Members</p> <ul style="list-style-type: none"> • Added: “<u>Medicare Part D</u> AHCCCS and its Contractors are prohibited from using federal and state dollars to pay for any part of cost sharing for Medicare Part D claims.” • Updated: <ul style="list-style-type: none"> d. “The medication is listed on the AHCCCS FFS OTC / Dual Eligible Drug List; e. The medication is excluded from coverage under Medicare Part D by CMS and the drug is medically necessary and federally and state reimbursable; and f. Excluded medications will require prior authorization approval.” • Added: “<u>Medicare Part B</u> AHCCCS and its Contractors shall reimburse IHS/638 Tribal Pharmacies up to 20% of Medicare Part B reimbursement amount. All claims shall be submitted to the member’s enrolled health plan’s PBM. Claims for AHCCCS Fee-For-Service members shall be submitted to OptumRx for adjudication with the primary payment from Medicare” • Updated: “The AIR shall not be reimbursed for: <ul style="list-style-type: none"> d. Medications eligible for coverage under Medicare Part D. e. Part B covered drugs, blood glucose meters, strips, lancets and other devices and syringes. f. Medicare Part D drugs, devices, and syringes when the member is eligible for Medicare and the member has opted out of Medicare Part D. 	<p>14</p> <p>14-15</p> <p>15</p> <p>15</p> <p>15</p> <p>15</p> <p>15</p>
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	information about where claims should be submitted for Title XIX and XXI members.	
3/22/18	The FFS Pharmacy Exclusions section has been updated	3
2/16/18	Billing for Pharmacy Services grid added	7
	AIR Claims Billing Specifications for Title XIX Members section added	8
	AIR Claims Billing for Title XIX Dual Eligible Members section updated	8-9
	AIR Claims Billing Specifications for Title XXI Members section added	9
	Pharmacy department updates	All
	General formatting	All
1/1/2018	Prior Authorization Criteria for Direct Acting Antiviral Treatment for Hepatitis C Section/Reference Added	7
	Behavioral Health Medication Coverage Section/Reference Added	9
	Medication Assisted Treatment (MAT) for the Treatment of OUD Section Added	9-10
	References Updated	10
	General formatting	All
	Updating of phone numbers and links	All
10/13/2015	New formatting; New PBM vendor effective 10/01/2015 New Exhibit 10-1 OptumRX Prior Authorization Form	All & Exh 10-1
12/31/2012	Section title alpha corrections	All
10/01/2012	New PBM vendor – MedImpact effective 10/01/2012	All