



State of California—Health and Human Services Agency
Department of Health Services



SANDRA SHEWRY
Director

ARNOLD SCHWARZENEGGER
Governor

DATE: June 13, 2005

MMCD ALL PLAN LETTER 05007

TO: County Organized Health System Plans (COHS)
Geographic Managed Care (GMC) Plans
Prepaid Health Plans (PHP)
Two-Plan Model Plans
AIDS Healthcare Foundation

SUBJECT: Erectile Dysfunction Treatment for Known Convicted Sex Offenders

Purpose:

The purpose of this letter is to alert all Medi-Cal providers that effective immediately the State will not provide reimbursement for erectile dysfunction (ED) treatment provided to known convicted sex offenders.

Background:

On May 26, 2005, Governor Arnold Schwarzenegger issued a directive to State agencies in California to immediately stop providing known convicted sex offenders with taxpayer-funded medications such as Viagra, Levitra or Cialis for the treatment of ED. The Governor also instructed State agencies to cooperate in the establishment of a ban on the distribution of any publicly funded ED drugs to convicted sex offenders until the necessary administrative and legislative steps can be taken to target convicted sex offenders who may pose a threat to innocent citizens with the use of these drugs. The Governor's actions are consistent with a recent federal policy decision authorizing States to prevent inappropriate Medicaid payment for such drugs in the case of known convicted sex offenders.

Action Required:

The provision of these drugs to known convicted sex offenders places the public at risk and is an abuse of the Medi-Cal program. Plan providers should not submit requests for prior authorization or claims for reimbursement to Medi-Cal for ED drugs which have been provided to anyone whom the provider knows to be a convicted sex offender. In addition, a plan should not authorize or pay claims for any of these drugs if it has knowledge that the individual for whom the drug is being prescribed is a convicted sex

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offender. Prescribing and providing ED drugs under the Medi-Cal program to known convicted sex offenders is thus prohibited, and submitting a Treatment Authorization Request or billing the Medi-Cal program for the provision of these drugs to known convicted sex offenders will be considered an abuse of the Medi-Cal program.

Plans and providers should also be aware that there are restrictions on the use of the information contained on the list of convicted sex offenders published by the California Attorney General (known as the Megan's Law List). There are also penalties for inappropriate use of this information.

The Department of Health Services will provide additional information to Plans and providers as additional policy or guidance becomes available. If you have any questions or require additional information, please contact your Contract Manager.

Sincerely,


Vanessa M. Baird, MPPA, Chief
Medi-Cal Managed Care Division