

# Assembly Bill 97 (AB 97) Ten Percent Pharmacy Payment Reductions and State Plan Amendment (SPA) 12-014 Stakeholder Update

**February 18, 2014**

This stakeholder update is to remind providers that the AB 97 ten percent payment reductions, for drugs not exempted pursuant to SPA 12-014, were implemented prospectively beginning February 7, 2014. Based on additional provider input, a number of drugs are being added to the **List of AB 97 Exempted Drugs**. Those drugs, identified in Table 1, are being automatically exempted from the cuts prospectively beginning February 15, 2014.

However, for the period of February 7, 2014 through February 14, 2014, claims for these additions (Table 1) may have been reduced by ten percent. In order to assure prompt and full payment for the new drug exemptions listed below, only for the period of February 7, 2014 through February 14, 2014, providers should reverse these claims and resubmit them to Medi-Cal.

**Table 1. Additions to the List of AB 97 Exempted Drugs (effective 2-15-14)**

ARIPIRAZOLE 5 MG TABLET ORAL
AZTREONAM LYSINE 75 MG/ML VIAL, NEBULIZER (ML) INHALATION
CLONAZEPAM 2 MG TABLET,DISINTEGRATING ORAL
COLESEVELAM HCL 3.75 G POWDER IN PACKET (EA) ORAL
COLESEVELAM HCL 625 MG TABLET ORAL
DEXLANSOPRAZOLE 30 MG CAPSULE, DELAYED RELEASE, MULTIPHASIC ORAL
DEXTROAMPHETAMINE/AMPHETAMINE 30 MG CAPSULE, EXT RELEASE 24 HR ORAL
DOLUTEGRAVIR SODIUM 50 MG TABLET ORAL
DRONEDARONE HCL 400 MG TABLET ORAL
ELTROMBOPAG OLAMINE 25 MG TABLET ORAL
ELTROMBOPAG OLAMINE 50 MG TABLET ORAL
EPINEPHRINE 0.15MG/0.3 AUTO-INJECTOR (EA) INJECTION
EPINEPHRINE 0.3MG/0.3 AUTO-INJECTOR (EA) INJECTION
ERYTHROMYCIN ETHYLSUCCINATE 400 MG/5ML SUSPENSION, RECONSTITUTED, ORAL (ML)
INSULIN DETEMIR 100/ML (3) INSULIN PEN (ML) SUBCUTANEOUS
INSULIN GLULISINE 100/ML INSULIN PEN (ML) SUBCUTANEOUS
INSULIN GLULISINE 100/ML VIAL (ML) SUBCUTANEOUS
LURASIDONE HCL 60 MG TABLET ORAL

MESALAMINE 500 MG CAPSULE, EXTENDED RELEASE ORAL
MIRABEGRON 50 MG TABLET, EXTENDED RELEASE 24 HR ORAL
NATEGLINIDE 60 MG TABLET ORAL
NORETHINDRONE 0.35 MG TABLET ORAL
OLANZAPINE 2.5 MG TABLET ORAL
OMEPRAZOLE/SODIUM BICARBONATE 20-1680MG PACKET (EA) ORAL
ONDANSETRON 4 MG TABLET, DISINTEGRATING ORAL
PHENOBARBITAL 64.8 MG TABLET ORAL
PHOSPHORUS #1 250 MG TABLET ORAL
PILOCARPINE HCL 5 MG TABLET ORAL
SEVELAMER CARBONATE 800 MG TABLET ORAL
SEVELAMER HCL 800 MG TABLET ORAL
SIMEPREVIR SODIUM 150 MG CAPSULE ORAL
SOFOBUVIR 400 MG TABLET ORAL
SUMATRIPTAN SUCCINATE 25 MG TABLET ORAL
TESTOSTERONE 30MG/1.5ML SOLUTION IN METERED-DOSE PUMP WITH APPL. TRANSDERMAL
TIGECYCLINE 50 MG VIAL (EA) INTRAVENOUS
TOBRAMYCIN 28 MG CAPSULE INHALATION
TOBRAMYCIN 28 MG CAPSULE, WITH INHALATION DEVICE INHALATION
VORICONAZOLE 200 MG/5ML SUSPENSION, RECONSTITUTED, ORAL (ML)

The Department of Health Care Services (DHCS) is currently reviewing exemption applications and will continue to accept and review applications as they are received. Drugs approved for exemption will be added to the **List of AB 97 Exempted Drugs** found on the DHCS Pharmacy Benefits Division's [AB 97 webpage](#).

As stated on the DHCS Pharmacy Benefits webpage, drug exemption applications postmarked on or before March 31, 2014 will be given exemption consideration retroactive to June 1, 2011. Applications postmarked after March 31, 2014 will be given consideration for exemption effective the first day of the quarter in which they were received.

To contact Pharmacy Benefits Division with questions about AB 97 pharmacy payment reductions and exemptions, please send an email to: [AB97pharmacy@dhcs.ca.gov](mailto:AB97pharmacy@dhcs.ca.gov).