

Stakeholder Update

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

January 30, 2015

AB 97 PHARMACY DRUG EXEMPTION APPLICATIONS POSTMARKED & RECEIVED BETWEEN 04/01/14 AND 06/30/14

The drugs that meet exemption criteria (Table 1) have been added to the [List of AB 97 Exempted Drugs](#) and are automatically exempt from the mandatory payment reduction prospectively beginning 11/08/14; therefore, for the period beginning 04/01/14 through 11/07/14, claims for these additions may have been reduced by ten percent.

- A timeliness waiver is currently in place through 03/31/15 to allow pharmacy providers to reverse and rebill claims with dates-of-service (DOS) between 04/01/14 and 11/07/14 for the affected drugs without incurring a six-month billing limit penalty.
 - Now through 03/31/15: Providers may reverse and rebill affected claims for the drugs listed in Table 1 with DOS between 04/01/14 and 11/07/14.
 - After 03/31/15: An Erroneous Payment Correction (EPC) will be conducted by the fiscal intermediary for all other affected claims not reversed and rebilled.

Table 1. Additions to the List of AB 97 Exempted Drugs (Effective 04/01/14)

DRUG NAME	EFFECTIVE DATE
ALOGLIPTIN BENZ/PIOGLITZONE 12.5-15 MG TABLET ORAL	04/01/14
APREPITANT 125 MG-80 MG CAPSULE, DOSE PACK ORAL	04/01/14
BACLOFEN 10 MG TABLET ORAL	04/01/14
BUDESONIDE 9 MG TABLET, DELAYED & EXTENDED RELEASE ORAL	04/01/14
ENOXAPARIN SODIUM 300MG/3ML VIAL (ML) SUBCUTANEOUS	04/01/14
ESTRADIOL 0.05MG/24H PATCH, TRANSDERMAL WEEKLY TRANSDERMAL	04/01/14
FILGRASTIM 480MCG/1.6 VIAL (ML) INJECTION	04/01/14
FLUTICASONE/VILANTEROL 100-25MCG BLISTER, WITH INHALATION DEVICE INHALATION	04/01/14
GRANISETRON HCL 1 MG TABLET ORAL	04/01/14
IMMUNE GLOB, GAM CAPRYLATE (IGG) 1 GM/10 ML VIAL (ML) INJECTION	04/01/14
IMMUNE GLOB, GAM CAPRYLATE (IGG) 10 GM/100 ML VIAL (ML) INJECTION	04/01/14
IMMUNE GLOB, GAM CAPRYLATE (IGG) 2.5 GM/25 ML VIAL (ML)	04/01/14

DRUG NAME	EFFECTIVE DATE
INJECTION	
IMMUNE GLOB, GAM CAPRYLATE (IGG) 5 GM/50 ML VIAL (ML) INJECTION	04/01/14
IMMUNE GLOBULIN, GAMMA (IGG) 1 GM/5 ML VIAL (ML) SUBCUTANEOUS	04/01/14
IMMUNE GLOBULIN, GAMMA (IGG) 10% VIAL (ML) INTRAVENOUS	04/01/14
IMMUNE GLOBULIN, GAMMA (IGG) 2 GM/10 ML VIAL (ML) SUBCUTANEOUS	04/01/14
IMMUNE GLOBULIN, GAMMA (IGG) 4 GM/20 ML VIAL (ML) SUBCUTANEOUS	04/01/14
IMMUNE GLOBULIN, GAMMA (IGG) 5% VIAL (ML) INTRAVENOUS	04/01/14
IMMUNE GLOBULIN, GAMMA (IGG) 5 GM VIAL (EA) INTRAVENOUS	04/01/14
IMMUNE GLOBULIN, GAMMA (IGG) 6 GM VIAL (EA) INTRAVENOUS	04/01/14
LIDOCAINE/TETRACAINE 70 MG-70MG ADHESIVE PATCH, MEDICATED SELF-HEATING TOPICAL	04/01/14
LINEZOLID 600 MG/300 INTRAVENOUS SOLUTION INTRAVENOUS	04/01/14
LIPASE/PROTEASE/AMYLASE 20.9-78.3K TABLET ORAL	04/01/14
LULICONAZOLE 1 % CREAM (GRAM) TOPICAL	04/01/14
MEPERIDINE HCL/PF 100 MG/ML SYRINGE (ML) INJECTION	04/01/14
NAPROXEN 125 MG/5ML SUSPENSION, ORAL (FINAL DOSE FORM) ORAL	04/01/14
NORGESTIMATE-ETHINYL ESTRADIOL 7DAYS X 3 28 TABLET ORAL	04/01/14
OSPEMIFENE 60 MG TABLET ORAL	04/01/14
PREDNISONE 5 MG/ML CONCENTRATE, ORAL	04/01/14
PYRIDOXINE HCL 100 MG/ML VIAL (ML) INJECTION	04/01/14
TESTOSTERONE 20.25/1.25 GEL IN METERED-DOSE PUMP TRANSDERMAL	04/01/14

AB 97 PHARMACY DRUG EXEMPTION APPLICATIONS POSTMARKED & RECEIVED BETWEEN 10/01/14 AND 12/31/14

Applications postmarked and received between 10/01/14 and 12/31/14 have been reviewed and the following drugs (Table 2) have been approved for addition to the List of AB 97 Exempted Drugs.

Table 2. Additions to the List of AB 97 Exempted Drugs (Effective 10/01/14)

DRUG NAME	EFFECTIVE DATE
BACLOFEN 20 MG TABLET ORAL	10/01/14
BENZAEPRI/ HYDROCHLOROTHIAZIDE 10-12.5MG TABLET ORAL	10/01/14
BENZAEPRI/ HYDROCHLOROTHIAZIDE 20-12.5 MG TABLET ORAL	10/01/14
BENZTROPINE MESYLATE 2 MG TABLET ORAL	10/01/14
BUPRENORPHINE 15 MCG/HR PATCH, TRANSDERMAL WEEKLY	10/01/14
BUPRENORPHINE HCL/NALOXONE HCL 5.7-1.4 MG TABLET, SUBLINGUAL	10/01/14
CIMETIDINE 400 MG TABLET ORAL	10/01/14
DAPAGLIFLOZIN PROPANEDIOL 5 MG TABLET ORAL	10/01/14
DIPHENOXYLATE HCL/ATROPINE 2.5-.025MG TABLET ORAL	10/01/14
EXENATIDE MICROSPHERES 2MG/0.65ML PEN INJECTOR (EA) SUBCUTANEOUS	10/01/14
MEMANTINE HCL 7 MG CAPSULE SPRINKLE, EXTENDED RELEASE 24 HR ORAL	10/01/14
METHOTREXATE/PF 20MG/0.4ML AUTO-INJECTOR (ML) SUBCUTANEOUS	10/01/14
POSACONAZOLE 100 MG TABLET, DELAYED RELEASE (ENTERIC COATED) ORAL	10/01/14
PRIMIDONE 250 MG TABLET ORAL	10/01/14
PYRIDOSTIGMINE BROMIDE 180 MG TABLET, EXTENDED RELEASE ORAL	10/01/14
SEVELAMER CARBONATE 0.8 G POWDER IN PACKET (EA) ORAL	10/01/14
TEDUGLUTIDE 5 MG KIT SUBCUTANEOUS	10/01/14
THEOPHYLLINE ANHYDROUS 100 MG TABLET, EXTENDED RELEASE 12 HR ORAL	10/01/14
VORTIOXETINE HYDROBROMIDE 20 MG TABLET ORAL	10/01/14

- Additionally, the following drugs (Table 3) have been approved for exemption for the following reasons:
 - Drugs noted with a “*”: application received by initial deadline of 03/31/14; an EPC will be conducted for affected claims.
 - Drugs marked with a “†”: meets criteria for categorical exemption as outlined in the [List of Therapeutic Drug Categories Subject to AB 97 Exemption](#).

Table 3. Additions to the List of AB 97 Exempted Drugs.

DRUG NAME	EFFECTIVE DATE
*ANAKINRA 100MG/0.67 SYRINGE (ML) SUBCUTANEOUS	06/01/11
*NONOXYNOL 9 3 % JELLY/APPL VAGINAL	06/01/11
*OMALIZUMAB 150 MG VIAL SUB-Q	06/01/11
*SODIUM CL/POTASSIUM CHLORIDE 287-180-15 TABLET ORAL	06/01/11
†ABACAVIR/DOLUTEGRAVIR/LAMIVUDI 600-50-300 TABLET ORAL	08/22/14
†LEDIPASVIR/SOFOSBUVIR 90MG-400MG TABLET ORAL	10/10/14

- The prospective exemption of the newly added drugs listed in Tables 2 and 3 will be implemented on 01/30/15. Starting on this date, providers may reverse and rebill the affected claims for appropriate payment. Please note, an EPC will be conducted for the four drugs noted with a "*" in Table 3.

Updates on issues relevant to the AB 97 Pharmacy Drug Exemption program will be provided as they arise on the [AB 97 website](#). Please continue to check back regularly to get the most up-to-date information. Additionally, DHCS will continue to accept and review pharmacy drug exemption applications as they are 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.