Assembly Bill 97 (AB 97) Ten Percent Pharmacy Payment Reductions and State Plan Amendment (SPA) 12-014 pending Centers for Medicare and Medicaid Services (CMS) approval Stakeholder Update

January 8, 2014

Assembly Bill 97 (Chapter 3, Statutes of 2011) requires the Department of Health Care Services (DHCS) to implement payment reductions up to ten percent to most categories of services in the Medi-Cal program, including pharmacy. DHCS received federal approval for the implementation of ten percent pharmacy payment reductions, effective June 1, 2011.

DHCS submitted and is awaiting CMS approval of SPA 12-014, which if approved, will give DHCS the authority to exempt specific drug products and/or categories of drugs, or specific pharmacy providers from the AB 97 ten percent payment reductions effective March 31, 2012.

DHCS is in the process of finalizing implementation plans for the AB 97 ten percent pharmacy payment reductions.

DHCS has developed a proposed exempted drug list based on initial pharmacy provider input, and is currently accepting AB 97 drug exemption applications to consider additional drug products and/or categories of drugs that may meet the drug exemption criteria provided below. Individual drugs, or therapeutic categories of drugs meeting one or more of the following criteria will be considered for exemption:

- 1. Drugs for which documentation exists that the ten percent provider payment reduction will result in reimbursement below the acquisition cost generally available to the Medi-Cal pharmacy provider community.
- 2. Drugs that are only dispensed through limited or specialized networks of pharmacy providers.
- 3. Drugs that are used to treat unique clinical conditions with relatively low prevalence in the Medi-Cal population.
- 4. Drugs for which immediate or rapid negative clinical impact(s) will occur if consistent and ongoing access is impeded (e.g. drugs used to treat cancer, life-threatening infections, end stage renal disease, hemophilia, etc.)

How to propose drug additions to the AB 97 drug exemption list

Assembly Bill 97 (AB 97) Ten Percent Pharmacy Payment Reductions and State Plan Amendment (SPA) 12-014 pending Centers for Medicare and Medicaid Services (CMS) approval Stakeholder Update

January 15, 2014

The Proposed List of AB 97 Exempted Drugs has been updated as of January 15, 2014. This version replaces and supersedes any previous versions made available prior to the date of this notice. To view the updated list, please click on one of the links below:

List of AB 97 Exempted Drugs as of 1-15-14 (PDF)

List of AB 97 Exempted Drugs as of 1-15-14 (MS Excel)

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)

ARIPIPRAZOLE 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
SOFOSBUVIR 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.

March 27, 2014

This stakeholder update is to notify providers that on March 31, 2014 an application for provider exemption from AB 97 payment reductions will be available on the DHCS Pharmacy Benefits website.

Applications for a **provider exemption** received by DHCS and postmarked on or before **May 31**, **2014** will be given exemption consideration retroactive to June 1, 2011. Provider exemption applications postmarked after May 31, 2014 will be given consideration for exemption effective the first day of the quarter in which they were received.

State Plan Amendment (SPA) 12-014 provides the Department of Health Care Services (DHCS) the authority to exempt certain drug products and/or providers from the AB 97 ten percent reimbursement reductions. The criteria used by DHCS to consider either a drug or provider exemption can be found in the Centers for Medicare and Medicaid (CMS) <u>approval letter</u> for SPA 12-014 on the DHCS website.

As stated on the <u>How to propose additions to the AB 97 drug exemption list webpage</u>, applications for a **drug exemption** received by DHCS and postmarked on or before **March 31, 2014** will be given exemption consideration retroactive to June 1, 2011. Drug exemption applications postmarked after March 31, 2014 will be given consideration for exemption effective the first day of the quarter in which they were received.

CA AB 97 Pharmacy Drug Exemption Application Form (MC 3153 rev0314)

CA AB 97 Provider Exemption Application (MC 3154)

April 21, 2014

The Department of Health Care Services (DHCS) would like to thank all those who have submitted AB 97 Pharmacy Drug Exemption Applications. Due to the large influx of applications in the final days leading up to the March 31 cutoff, DHCS anticipates the review and implementation of additional exempted drugs to take several weeks. We will continue to provide updates on issues relevant to the AB 97 Pharmacy Drug Exemption program on this website as they arise. Please continue to check back regularly to get the most up-to-date information.

As stated on the <u>How to propose additions to the AB 97 drug exemption list webpage</u>, applications for a **drug exemption** received by DHCS and postmarked on or before **March 31, 2014** will be given exemption consideration retroactive to June 1, 2011. Drug exemption applications postmarked after March 31, 2014 will be given consideration for exemption effective the first day of the quarter in which they were received.

May 20, 2014

In accordance with the AB 97 ten percent payment reduction mandate, drugs not exempted pursuant to SPA 12-014 were implemented prospectively beginning February 7, 2014. This stakeholder update is to notify providers that AB 97 pharmacy drug exemption applications postmarked by the March 31, 2014 cutoff have been reviewed and a number of drugs that met exemption criteria have been added to the **List of AB 97 Exempted Drugs**. These drugs, identified in Table 1 below, will automatically be exempted from the mandatory payment reduction prospectively beginning May 17, 2014.

However, for the period beginning February 7, 2014 through May 16, 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, providers should reverse and resubmit to Medi-Cal the affected claims with dates of service between 02/07/2014 and 05/16/2014.

Table 1. Additions to the List of AB 97 Exempted Drugs (Effective 02-07-14)

ACETAMINOPHEN WITH CODEINE 120-12MG/5 SOLUTION ORAL
ALISKIREN/AMLODIPINE BESYLATE 300MG-10MG TABLET ORAL
ALISKIREN/HYDROCHLOROTHIAZIDE 300-12.5MG TABLET ORAL
ALISKIREN/HYDROCHLOROTHIAZIDE 300MG-25MG TABLET ORAL
ALLOPURINOL 100 MG TABLET ORAL
ALOGLIPTIN BENZ/METFORMIN HCL 12.5-1000 TABLET ORAL
ALOGLIPTIN BENZ/METFORMIN HCL 12.5-500MG TABLET ORAL
ALOGLIPTIN BENZ/PIOGLITZONE 12.5-30 MG TABLET ORAL
ALOGLIPTIN BENZ/PIOGLITZONE 12.5-45 MG TABLET ORAL
ALOGLIPTIN BENZ/PIOGLITZONE 25 MG-15MG TABLET ORAL
ALOGLIPTIN BENZ/PIOGLITZONE 25 MG-30MG TABLET ORAL
ALOGLIPTIN BENZ/PIOGLITZONE 25 MG-45MG TABLET ORAL
ALOGLIPTIN BENZOATE 12.5 MG TABLET ORAL
ALOGLIPTIN BENZOATE 25 MG TABLET ORAL
ALOGLIPTIN BENZOATE 6.25 MG TABLET ORAL
ALTEPLASE 50 MG VIAL (EA) INTRAVENOUS
AMANTADINE HCL 50 MG/5 ML SYRUP ORAL
AMIKACIN SULFATE 1000MG/4ML VIAL (ML) INJECTION
AMINOCAPROIC ACID 1000 MG TABLET ORAL
AMINOSALICYLIC ACID 4 G PACKET ORAL
AMLODIPINE/ATORVASTATIN 10 MG-80MG TABLET ORAL

AMLODIPINE/ATORVASTATIN 2.5MG-10MG TABLET ORAL
AMLODIPINE/VALSARTAN 10MG-160MG TABLET ORAL
AMLODIPINE/VALSARTAN 10MG-320MG TABLET ORAL
AMLODIPINE/VALSARTAN 5MG-160MG TABLET ORAL
AMLODIPINE/VALSARTAN 5MG-320MG TABLET ORAL
AMLODIPINE/VALSARTAN/HCTHIAZID 10-160-25 TABLET ORAL
AMLODIPINE/VALSARTAN/HCTHIAZID 10-320-25 TABLET ORAL
AMLODIPINE/VALSARTAN/HCTHIAZID 10MG-160MG TABLET ORAL
AMLODIPINE/VALSARTAN/HCTHIAZID 5-160-12.5 TABLET ORAL
AMLODIPINE/VALSARTAN/HCTHIAZID 5-160-25MG TABLET ORAL
AMMONIUM LACTATE 12 % LOTION (GRAM) TOPICA
AMOXICILLIN/POTASSIUM CLAV 125-31.25/ SUSP RECON ORAL
AMOXICILLIN/POTASSIUM CLAV 250-62.5/5 SUSPENSION, RECONSTITUTED, ORAL (ML) ORAL
AMOXICILLIN/POTASSIUM CLAV 500-125 MG TABLET ORAL
AMOXICILLIN/POTASSIUM CLAV 875-125 MG TABLET ORAL
APRACLONIDINE HCL 0.5 % DROPS OPHTHALMIC
ARTEMETHER/LUMEFANTRINE 20MG-120MG TABLET ORAL
BALSALAZIDE DISODIUM 750 MG CAPSULE ORAL
BELIMUMAB 120 MG VIAL INTRAVEN
BELIMUMAB 400 MG VIAL INTRAVEN
BENAZEPRIL HCL 20 MG TABLET ORAL
BENAZEPRIL HCL 40 MG TABLET ORAL
BENZYL ALCOHOL 5 % LOTION TOPICAL
BRINZOLAMIDE/BRIMONID TART 1 %-0.2 % DROPS SUSP OPHTHALMIC
BUTALB/ACETAMINOPHEN/CAFFEINE 50-300-40 CAPSULE ORAL
BUTALBITAL/ASPIRIN/CAFFEINE 50-325-40 CAPSULE ORAL
C1 ESTERASE INHIBITOR 500 (5 ML) VIAL INTRAVEN
CADEXOMER IODINE 0.9 % GEL (GRAM) TOPICAL
CANAGLIFLOZIN 100 MG TABLET ORAL
CANAGLIFLOZIN 300 MG TABLET ORAL
CANAKINUMAB/PF 180 MG/1.2 VIAL SUB-Q
CANDESARTAN/HYDROCHLOROTHIAZID 32-12.5MG TABLET ORAL
CASPOFUNGIN ACETATE 50 MG VIAL (EA) INTRAVENOUS
CEFTAZIDIME PENTAHYDRATE 1 G VIAL (EA) INJECTION
CEFTIBUTEN DIHYDRATE 180 MG/5ML SUSP RECON ORAL
CEPHALEXIN 500 MG CAPSULE ORAL
CEPHALEXIN 750 MG CAPSULE ORAL
CERTOLIZUMAB PEGOL 400 MG KIT SUBCUTANEOUS
CERTOLIZUMAB PEGOL 400MG/2ML SYRINGE KIT (EA) SUBCUTANEOUS
CEVIMELINE HCL 30 MG CAPSULE ORAL
CHORIONIC GONADOTROPIN, HUMAN 10000 UNIT VIAL INTRAMUSC

OLTDIO ACIDIO I ACTONE MACCOADD C COOCIACO IDDIO COLA LIBRIO ATION
CITRIC ACID/G-LACTONE/MAG CARB 6.602G/100 IRRIG SOLN IRRIGATION
CLINDAMYCIN HCL 150 MG CAPSULE ORAL
CLINDAMYCIN HCL 300 MG CAPSULE ORAL
CLINDAMYCIN HCL 75 MG CAPSULE ORAL
CLINDAMYCIN PALMITATE HCL 75 MG/5 ML SOLN RECON ORAL
CLOBAZAM 2.5 MG/ML SUSPENSION, ORAL (FINAL DOSE FORM) ORAL
CLOBETASOL PROPIONATE/EMOLL 0.05 % FOAM TOPICAL
CLOCORTOLONE PIVALATE 0.1 % CREAM (G) TOPICAL
COLLAGENASE CLOSTRIDIUM HIST. 0.9 MG VIAL INJECTION
CORTICOTROPIN 80 UNIT/ML VIAL INJECTION
CUPRIC CHLORIDE 0.4 MG/ML VIAL (ML) INTRAVENOUS
CYCLOPENTOLATE/PHENYLEPHRINE 0.2 %-1 % DROPS OPHTHALMIC
CYCLOSERINE 250 MG CAPSULE ORAL
DALFAMPRIDINE 10 MG TABLET, EXTENDED RELEASE 12 HR ORAL
DAPTOMYCIN 500 MG VIAL (EA) INTRAVENOUS
DEFERASIROX 125 MG TABLET, DISPERSIBLE ORAL
DEFERASIROX 250 MG TABLET, DISPERSIBLE ORAL
DEFERASIROX 500 MG TABLET, DISPERSIBLE ORAL
DESMOPRESSIN ACETATE 0.1 MG TABLET ORAL
DESMOPRESSIN ACETATE 0.2 MG TABLET ORAL
DESMOPRESSIN ACETATE 4MCG/ML AMPUL (ML) INJECTION
DESMOPRESSIN ACETATE 4MCG/ML VIAL INJECTION
DESOG-E.ESTRADIOL/E.ESTRADIOL 21-5 TABLET ORAL
DEXTROAMPHETAMINE SULFATE 10 MG CAPSULE ER ORAL
DEXTROAMPHETAMINE SULFATE 10 MG TABLET ORAL
DEXTROAMPHETAMINE SULFATE 15 MG CAPSULE ER ORAL
DIAZEPAM 2.5 MG KIT RECTAL
DIFLUPREDNATE 0.05 % DROPS OPHTHALMIC
DIMETHYL SULFOXIDE 50 % SOLUTION INTRAVESIC
DIPH,PERTUSS(ACELL),TET VAC/PF 2-2.5-5/.5 VIAL INTRAMUSC
DIPHTH,PERTUSS(ACELL),TET VAC 2.5-8-5/.5 VIAL INTRAMUSC
DISULFIRAM 250 MG TABLET ORAL
DOXERCALCIFEROL 0.5 MCG CAPSULE ORAL
DOXERCALCIFEROL 1 MCG CAPSULE ORAL
DOXERCALCIFEROL 2.5 MCG CAPSULE ORAL
DOXYLAMINE/PYRIDOXINE HCL 10 MG-10MG TABLET DR ORAL
DRONABINOL 2.5 MG CAPSULE ORAL
DROSPIR/ETH ESTRA/LEVOMEFOL CA 3-0.03(21) TABLET ORAL
ELECT WTR/SOD CH/SOD HY/HYP AC 0.004 % SPRAY TOPICAL
ELOSULFASE ALFA 5 MG/5 ML VIAL (ML) INTRAVENOUS
EMEDASTINE DIFUMARATE 0.05 % DROPS OPHTHALMIC
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ENALAPRIL MALEATE 1 MG/ML SOLUTION, RECONSTITUTED, ORAL
ENALAPRIL MALEATE 20 MG TABLET ORAL
EPLERENONE 50 MG TABLET ORAL
ESTRADIOL VALERATE/DIENOGEST 3-2-1(28) TABLET ORAL
ESTRADIOL/LEVONORGESTREL 45-15/24H PATCH TDWK TRANSDERM
ESTRADIOL/NORETHINDRONE ACET .0514/24 PATCH TDSW TRANSDERM
ESTROGEN,ESTER/ME-TESTOSTERONE 1.25-2.5MG TABLET ORAL
ESZOPICLONE 1 MG TABLET ORAL
ESZOPICLONE 2 MG TABLET ORAL
ESZOPICLONE 3 MG TABLET ORAL
ETHOTOIN 250 MG TABLET ORAL
FE FUMARATE/DOSS/FA/BCOMP&C 66.6-1MG TABLET ORAL
FENTANYL CITRATE 1600 MCG LOZENGE ON A HANDLE BUCCAL
FERROUS SULFATE 220(44)/5 SOLUTION ORAL
FLUDROCORTISONE ACETATE 0.1 MG TABLET ORAL
FLUOXYMESTERONE 10 MG TABLET ORAL
FLURANDRENOLIDE 4MCG/SQ CM MED. TAPE TOPICAL
FORMOTEROL FUMARATE 12 MCG CAPSULE, WITH INHALATION DEVICE INHALATION
GABAPENTIN ENACARBIL 600 MG TAB ER 24H ORAL
GALANTAMINE HBR 16 MG CAP24H PEL ORAL
GATIFLOXACIN 0.5 % DROPS OPHTHALMIC
GENTAMICIN/PREDNISOL AC 0.3%-1% DROPS SUSP OPHTHALMIC
GLYCEROL PHENYLBUTYRATE 1.1GRAM/ML LIQUID ORAL
GLYCOPYRROLATE 0.2 MG/ML VIAL INJECTION
GLYCOPYRROLATE 1 MG TABLET ORAL
GLYCOPYRROLATE 1 MG/5 ML SOLUTION ORAL
GOLIMUMAB 100 MG/ML PEN INJECTOR (ML) SUBCUTANEOUS
GOLIMUMAB 100 MG/ML SYRINGE (ML) SUBCUTANEOUS
GOLIMUMAB 50 MG/4 ML VIAL (ML) INTRAVENOUS
HEPATITIS B IMMUNE GLOBULIN >1560/5ML VIAL INTRAMUSC
HISTRELIN AC 50 MG KIT IMPLANTATION
HUMAN PAPILOMVIRUS VAC,QVAL/PF 20-40/0.5 VIAL INTRAMUSC
HYALURONATE SODIUM 30 MG/2 ML SYRINGE INTRAARTIC
HYDROCODONE/ACETAMINOPHEN 10-325/15 SOLUTION ORAL
HYDROCODONE/ACETAMINOPHEN 10MG-325MG TABLET ORAL
HYDROCODONE/ACETAMINOPHEN 10MG-400MG TABLET ORAL
HYDROCODONE/ACETAMINOPHEN 7.5-500/15 SOLUTION ORAL
HYDROCODONE/ACETAMINOPHEN 7.5-500MG TABLET ORAL
HYDROCORTISONE/PRAMOXINE 1 %-1 % CREAM/APPL RECTAL
HYDROCORTISONE/PRAMOXINE 1 %-1 % FOAM RECTAL
HYDROXYCHLOROQUINE SULFATE 200 MG TABLET ORAL

HYDROXYPROGESTERONE CAPROATE 250 MG/ML VIAL INTRAMUSC HYLAN G-F 20 48 MG/6 ML SYRINGE INTRAARTIC ICATIBANT ACETATE 30 MG/3 ML SYRINGE (ML) SUBCUTANEOUS IMIQUIMOD 5 % CREAM PACK TOPICAL INDOMETHACIN 25 MG/5 ML ORAL SUSP ORAL INSULIN DETEMIR 100/ML VIAL (ML) SUBCUTANEOUS IODOQUINOL 650 MG TABLET ORAL IODOQUINOL/ALOE POLYSACCHAR #1 1.25%-1% GEL (GRAM) TOPICAL IRON/FOLIC ACID/C/B12/BIOTIN 75-1-175MG CAP MPHASE ORAL IVACAFTOR 150MG TABLET ORAL KETOROLAC TROMETHAMINE 0.4 % DROPS OPHTHALMIC LANSOPRAZOLE 15 MG TABLET, DISINTEGRATING, DELAYED RELEASE ORAL LANSOPRAZOLE 30 MG TABLET, DISINTEGRATING, DELAYED RELEASE ORAL LANSOPRAZOLE/AMOXICILN/CLARITH 30-500-500 COMBO. PKG ORAL LEFLUNOMIDE 20 MG TABLET ORAL LEUPROLIDE ACETATE 11.25 MG KIT INTRAMUSCULAR LEUPROLIDE ACETATE 11.25 MG SYRINGE KIT (EA) INTRAMUSCULAR LEUPROLIDE ACETATE 30 MG SYRINGE KIT (EA) INTRAMUSCULAR LEVOLEUCOVORIN CALCIUM 50 MG VIAL (EA) INTRAVENOUS LIDOCAINE 4 % CREAM (GRAM) TOPICAL LIPASE/PROTEASE/AMYLASE 16K-57.5K CAPSULE, DELAYED RELEASE (ENTERIC COATED) ORAL LIPASE/PROTEASE/AMYLASE 36-114-180 CAPSULE, DELAYED RELEASE (ENTERIC COATED) ORAL LIPASE/PROTEASE/AMYLASE 5K-17K-27K CAPSULE, DELAYED RELEASE (ENTERIC COATED) ORAL MAGNESIUM CITRATE SOLUTION, ORAL MAGNESIUM SULFATE 4 MEQ/ML VIAL INJECTION MEROPENEM 1 G VIAL (EA) INTRAVENOUS MESALAMINE 1000 MG SUPPOSITORY, RECTAL RECTAL METHIMAZOLE 10 MG TABLET ORAL METHIMAZOLE 5 MG TABLET ORAL METHYLTESTOSTERONE 10 MG CAPSULE ORAL MICAFUNGIN SODIUM 100 MG VIAL (EA) INTRAVENOUS MICAFUNGIN SODIUM 50 MG VIAL (EA) INTRAVENOUS MILNACIPRAN HCL 12.5 MG TABLET ORAL MILNACIPRAN HCL 25 MG TABLET ORAL MIRABEGRON 25 MG TAB ER 24H ORAL MOEXIPRIL HCL 7.5 MG TABLET ORAL MTH/ME BLUE/SOD PHOS/PHEN/HYOS 118-10-36 CAPSULE ORAL NAPHOS M-B M-H/NA PHOS,DI-BA 1.5 G TABLET ORAL NEDOCROMIL SODIUM 2 % DROPS OPHTHALMIC NEOMY SULF/COLIST SUL/HC/THONZ 3.3-3-10/1 DROPS SUSP OTIC NICOTINE 10 MG CARTRIDGE (EA) INHALATION

NISOLDIPINE 17 MG TAB ER 24H ORAL
NISOLDIPINE 34 MG TAB ER 24H ORAL
NISOLDIPINE 8.5MG TAB ER 24H ORAL
NITROFURANTOIN MONOHYD/M-CRYST 100 MG CAPSULE ORAL
NORETH A-ET ESTRA/FE FUMARATE 1MG-20(24) TAB CHEW ORAL
NORETH-ETHINYL ESTRADIOL/IRON 0.4-35(21) TAB CHEW ORAL
NORETHIND AC/ETHINYL ESTRADIOL 0.5MG-2.5 TABLET ORAL
NORETHINDRONE A-E ESTRADIOL 1.5-0.03MG TABLET ORAL
NORETHINDRONE A-E ESTRADIOL 1MG-20MCG TABLET ORAL
NORETHINDRONE-ETHINYL ESTRAD 0.4-0.035 TABLET ORAL
NORETHINDRONE-ETHINYL ESTRAD 0.5-0.035 TABLET ORAL
NORETHINDRONE-ETHINYL ESTRAD 7 DAYS X 3 TABLET ORAL
NORETHINDRONE-ETHINYL ESTRAD 7-9-5 TABLET ORAL
NORETHINDRONE-MESTRANOL 1 MG-50MCG TABLET ORAL
OLMESARTAN/AMLODIPIN/HCTHIAZID 20-5-12.5 TABLET ORAL
ONDANSETRON 8 MG TABLET, DISINTEGRATING ORAL
PEG 3350/NA SULF,BICARB,CL/KCL 236-22.74G SOLN RECON ORAL
PEG3350/SOD SUL/NACL/ASB/C/KCL 7.5-2.691G POWD PACK ORAL
PEGLOTICASE 8 MG/ML VIAL (ML) INTRAVENOUS
PEGVISOMANT 15 MG VIAL SUB-Q
PEGVISOMANT 20 MG VIAL SUB-Q
PENCICLOVIR 1 % CREAM (G) TOPICAL
PENICILLAMINE 250 MG CAPSULE ORAL
PENICILLAMINE 250 MG TABLET ORAL
PENTAMIDINE ISETHIONATE 300 MG VIAL-NEB INHALATION
PHENOBARB/HYOSCY/ATROPINE/SCOP 16.2 MG TABLET ORAL
PHENOBARB/HYOSCY/ATROPINE/SCOP 16.2MG/5ML ELIXIR ORAL
PHENOXYBENZAMINE HCL 10 MG CAPSULE ORAL
PLERIXAFOR 24MG/1.2ML VIAL (ML) SUBCUTANEOUS
PNEUMOCOCCAL 23-VAL P-SAC VAC 25MCG/0.5 VIAL INJECTION
PNV #35/IRON/FA #6/DHA 29-1-300MG CAPSULE ORAL
PNV #38/IRON FUM/FOLATE/DHA 28-1-300MG CAPSULE ORAL
PNV NO.22/IRON CBN&GLUC/FA/DSS 27-1-50MG TABLET ORAL
PNV#79/IRON/FA/LMFOLATE CA/DHA 27-1.13 MG CAPSULE ORAL
PNV/FA/B6/CALCIUM PHOS/GINGER 1.2-42 MG TABLET ORAL
PNV38/IRON CBN&GLUC/FA/DSS/DHA 35-1-50MG COMBO. PKG ORAL
PNV53/IRON FUM/FA/DOCUSATE/DHA 29-1.25-55 CAPSULE ORAL
PNV59/IRON,CARBONYL/FA/DSS/DHA 29-1-50 MG CAPSULE ORAL
PNV66/IRON FUMARATE/FA/DSS/DHA 27-1.25-55 CAPSULE ORAL
PNV80/IRON FUMARATE/FA/DSS/DHA 29-1.25-55 CAPSULE ORAL
POTASSIUM AMINOBENZOATE 500 MG TABLET ORAL

PRENATAL VIT NO.112/FOLIC ACID 1 MG TAB CHEW ORAL
PRENATAL VIT NO.114/FA/GINGER 1MG-500MG TABLET ORAL
PRENATAL VIT NO.44/IRON/FA/DHA 29-1-350MG CAPSULE ORAL
PRENATAL VIT#36/IRON/FA CMB#6 26 MG-1 MG TABLET ORAL
PRENATAL VIT#42/FA CMB#6 1 MG TAB CHEW ORAL
PRENATAL VIT#86/IRON BISGLY/FA 32 MG-1 MG TABLET ORAL
PRIMAQUINE PHOSPHATE 26.3 MG TABLET ORAL
PROPAFENONE HCL 150 MG TABLET ORAL
PROPRANOLOL HCL 120 MG CAP SA 24H ORAL
PROPRANOLOL HCL 160 MG CAP SA 24H ORAL
PROPRANOLOL HCL 60 MG CAP SA 24H ORAL
PROTEIN C CONCENTRATE, HUMAN 500 UNIT VIAL (EA) INTRAVENOUS
RAMELTEON 8 MG TABLET ORAL
RETAPAMULIN 1 % OINT. (G) TOPICAL
RHO(D) IMMUNE GLOBULIN 1500 UNIT SYRINGE INTRAMUSC
RIFAPENTINE 150 MG TABLET ORAL
RILONACEPT 220 MG VIAL SUB-Q
RIOCIGUAT 0.5 MG TABLET ORAL
RIOCIGUAT 1 MG TABLET ORAL
RIVASTIGMINE TARTRATE 1.5 MG CAPSULE ORAL
RIVASTIGMINE TARTRATE 3 MG CAPSULE ORAL
SARGRAMOSTIM 250 MCG VIAL INJECTION
SCOPOLAMINE HYDROBROMIDE 0.25 % DROPS OPHTHALMIC
SECOBARBITAL SODIUM 100 MG CAPSULE ORAL
SERTACONAZOLE NITRATE 2 % CREAM (G) TOPICAL
SEVELAMER CARBONATE 2.4 G POWD PACK ORAL
SEVELAMER HCL 400 MG TABLET ORAL
SILVER NITRATE APPLICATOR 75%-25% STICK (EA) TOPICAL
SODIUM BICARBONATE 1 MEQ/ML VIAL (ML) INTRAVENOUS
SODIUM CHLORIDE 4 MEQ/ML VIAL (ML) INTRAVENOUS
SODIUM FLUORIDE/XYLITOL 0.25(0.55) TAB CHEW ORAL
SODIUM FLUORIDE/XYLITOL 0.5(1.1)MG TAB CHEW ORAL
SODIUM PHENYLBUTYRATE 0.94 G/G POWDER (GRAM) ORAL
SOTALOL HCL 80 MG TABLET ORAL
SUCCIMER 100 MG CAPSULE ORAL
SULFACETAMIDE SODIUM/SULFUR 10-5%(W/W) LOTION TOPICAL
SULFANILAMIDE 15 % CREAM/APPL VAGINAL
TELBIVUDINE 600 MG TABLET ORAL
TELMISARTAN/AMLODIPINE 40MG-10MG TABLET ORAL
TEMAZEPAM 15 MG CAPSULE ORAL
TEMAZEPAM 30 MG CAPSULE ORAL

TEMAZEPAM 7.5 MG CAPSULE ORAL
TESAMORELIN ACETATE 1 MG VIAL SUB-Q
TESAMORELIN ACETATE 2 MG VIAL (EA) SUBCUTANEOUS
TESTOSTERONE 1.25G (1%) GEL IN METERED-DOSE PUMP TRANSDERMAL
TESTOSTERONE ENANTHATE 200 MG/ML VIAL (ML) INTRAMUSCULAR
TETRABENAZINE 12.5 MG TABLET ORAL
TETRABENAZINE 25 MG TABLET ORAL
THALIDOMIDE 100 MG CAPSULE ORAL
THALIDOMIDE 200 MG CAPSULE ORAL
THALIDOMIDE 50 MG CAPSULE ORAL
TIMOLOL MALEATE/PF 0.5 % DROPERETTE OPHTHALMIC
TINIDAZOLE 500 MG TABLET ORAL
TOPIRAMATE 100 MG CAPSULE, EXT RELEASE 24 HR ORAL
TRAMETINIB DIMETHYL SULFOXIDE 2 MG TABLET ORAL
TYPHOID VACC VI CAPSULR POLYS 25MCG/0.5 SYRINGE INTRAMUSC
ULIPRISTAL ACETATE 30 MG TABLET ORAL
VIGABATRIN 500 MG POWD PACK ORAL
VIGABATRIN 500 MG TABLET ORAL
VORICONAZOLE 200 MG TABLET ORAL
VORICONAZOLE 50 MG TABLET ORAL
VORTIOXETINE HYDROBROMIDE 10 MG TABLET ORAL
ZOLEDRONIC ACID 4 MG/5 ML VIAL INTRAVEN
ZOLEDRONIC ACID/MANNITOL&WATER 5 MG/100ML INFUS. BTL INTRAVEN

The Department of Health Care Services (DHCS) will continue to accept and review pharmacy drug exemption applications as they are received. As stated on the DHCS Pharmacy Benefits Division's webpage, pharmacy 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. 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**.

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

Stakeholder Update

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

July 18, 2014

This stakeholder update is to notify providers that the Department of Health Care Services (DHCS) is in the process of reviewing AB 97 Pharmacy Provider Exemption Applications received and postmarked by May 31, 2014. As stated on the DHCS Pharmacy Benefits Division's AB 97 webpage, applications received and postmarked on or before May 31, 2014 will be given exemption consideration retroactive to June 1, 2011; applications postmarked after May 31, 2014 will be given consideration for exemption effective the first day of the quarter in which they were received.

Providers who submitted an application will be notified once the review process is complete. Additionally, providers are encouraged to check the <u>AB 97 webpage</u> regularly for exemption updates.

Note: DHCS will continue to accept and review pharmacy provider exemption applications on an ongoing basis.

To contact Pharmacy Benefits Division with questions about AB 97 pharmacy payment reductions and exemptions, please send an email to: <u>AB97pharmacy@dhcs.ca.gov</u>.

Stakeholder Update

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

October 24, 2014

As stated on the Department of Healthcare Services (DHCS) Pharmacy Benefits Division's <u>AB 97 webpage</u>, pharmacy drug exemption applications postmarked on or before March 31, 2014 will be given exemption consideration retroactive to June 01, 2011. Applications postmarked after March 31, 2014 will be given consideration for exemption effective the first day of the calendar quarter in which they were received.

This stakeholder update is to notify providers that AB 97 pharmacy drug exemption applications postmarked and received between April 1, 2014 and June 30, 2014 have been reviewed. The drugs that meet exemption criteria have been added to the **List of AB 97 Exempted Drugs**. These drugs, identified in Table 1 below, will automatically be exempted from the mandatory payment reduction prospectively beginning November 08, 2014. Therefore, for the period beginning April 1, 2014 through November 7, 2014, claims for the additions in Table 1 may have been reduced by ten percent. For these affected claims DHCS will be conducting an error payment correction in the coming months.

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

APREPITANT 125MG-80MG CAPSULE, DOSE PACK ORAL
BACLOFEN 10 MG TABLET ORAL
BUDESONIDE 9 MG TABLET, DELAYED & EXTENDED RELEASE ORAL
ENOXAPARIN SODIUM 300MG/3ML VIAL (ML) SUBCUTANEOUS
ESTRADIOL 0.05MG/24H PATCH, TRANSDERMAL WEEKLY TRANSDERMAL
FILGRASTIM 480MCG/1.6 VIAL (ML) INJECTION
FLUTICASONE/VILANTEROL 100-25MCG BLISTER, WITH INHALATION DEVICE INHALATION
GRANISETRON HCL 1 MG TABLET ORAL
IMMUNE GLOB,GAM CAPRYLATE(IGG) 1 G/10 ML VIAL (ML) INJECTION

IMMUNE GLOB,GAM CAPRYLATE(IGG) 10 G/100ML VIAL (ML) INJECTION
IMMUNE GLOB,GAM CAPRYLATE(IGG) 2.5G/25ML VIAL (ML) INJECTION
IMMUNE GLOB,GAM CAPRYLATE(IGG) 5 G/50 ML VIAL (ML) INJECTION
IMMUNE GLOBULIN, GAMMA (IGG) 1 G/5 ML VIAL (ML) SUBCUTANEOUS
IMMUNE GLOBULIN,GAMMA(IGG) 10 % VIAL (ML) INTRAVENOUS
IMMUNE GLOBULIN, GAMMA (IGG) 2 G/10 ML VIAL (ML) SUBCUTANEOUS
IMMUNE GLOBULIN,GAMMA(IGG) 4 G/20 ML VIAL (ML) SUBCUTANEOUS
IMMUNE GLOBULIN,GAMMA(IGG) 5 % VIAL (ML) INTRAVENOUS
IMMUNE GLOBULIN,GAMMA(IGG) 5 G VIAL (EA) INTRAVENOUS
IMMUNE GLOBULIN,GAMMA(IGG) 6G VIAL (EA) INTRAVENOUS
LIDOCAINE/TETRACAINE 70 MG-70MG ADHESIVE PATCH, MEDICATED SELF-HEATING TOPICAL
LINEZOLID 600MG/300 INTRAVENOUS SOLUTION INTRAVENOUS
LIPASE/PROTEASE/AMYLASE 20.9-78.3K TABLET ORAL
LULICONAZOLE 1 % CREAM (GRAM) TOPICAL
MEPERIDINE HCL/PF 100 MG/ML SYRINGE (ML) INJECTION
NAPROXEN 125 MG/5ML SUSPENSION, ORAL (FINAL DOSE FORM) ORAL
NORGESTIMATE-ETHINYL ESTRADIOL 7DAYSX3 28 TABLET ORAL
OSPEMIFENE 60 MG TABLET ORAL
PREDNISONE 5 MG/ML CONCENTRATE, ORAL
PYRIDOXINE HCL 100 MG/ML VIAL (ML) INJECTION
TESTOSTERONE 20.25/1.25 GEL IN METERED-DOSE PUMP TRANSDERMAL

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.

Stakeholder Update

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

October 27, 2014

This stakeholder update is to notify providers that the Department of Health Care Services (DHCS) has reviewed all AB 97 Pharmacy Provider Exemption Applications received and postmarked by the May 31, 2014 cutoff. As stated on the DHCS Pharmacy Benefits Division's AB 97 provider exemption webpage, applications received and postmarked on or before May 31, 2014 will be given exemption consideration retroactive to June 01, 2011; applications postmarked after May 31, 2014 will be given consideration for exemption effective the first day of the quarter in which they were received.

Providers who submitted an application by May 31, 2014 will be notified of DHCS's determination via first class mail within the next few weeks. For all matters concerning the AB 97 payment reductions, providers are encouraged to check the AB 97 webpage regularly for exemption updates.

Note: DHCS will continue to accept and review pharmacy provider exemption applications on an ongoing basis.

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