Advancing Medi-Cal Rx

September 2023

DHCS
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

Guiding Principles

- Focus on commitments:
  - Minimize disruption and ensure safe and timely delivery of pharmacy benefits
  - Standardize benefits through a single delivery system
  - Improve access through a broad pharmacy network
  - Apply statewide utilization management protocols
  - Strengthen California's ability to negotiate supplemental drug rebates
- Drive to program goals through key partnerships with:
  - Advocates
  - Associations
  - Pharmacies
  - Prescribers

Strategic approach will continue:

- Phased, iterative approach, informed by data and lessons learned
- Stakeholder discussions and incorporation of feedback in planning and evaluation of implementation
- A 30-day advance notice prior to system enhancements
- A 90-day advance notice prior to changes for pediatric (21 and younger) member prior authorization requirements

Medi-Cal Rx Reinstatement

- **Phase II:** Prior Authorization (PA) requirements for New Start prescriptions for adults 22 and older reinstated – **Completed**
- **Phase III:** Retirement of the Transition Policy for renewing prescriptions for adults 22 and older – **Completed**
- **Phase IV:** Reinstate utilization management claim edits and PA requirements for enteral nutrition products for adults 22 and older – **In progress through 2023**

Phase IV: Completion of Reinstatement

Reinstate Claim Edits and Enteral Nutrition Products

Phase IV

8/4/23 – 11/10/23
Series of Reinstatement Lifts

Members 22 and older - Complete

P4/L1 8/4/2023
Reinstate Utilization Management (UM) edits for Age, Gender, Labeler Code Restriction

P4/L2 9/22/2023
Reinstate Utilization Management (UM) edits for Cost Ceiling
Reinstate PAs for new start Enteral Nutrition Products;
Allow early Prior Authorizations (PAs) for Enteral Nutrition Products

P4/L3 10/13/2023
Reinstate Utilization Management (UM) edit for Quantity

P4/L4 11/10/2023
Reinstate Utilization Management (UM) edit for Diagnosis
Retire Transition Policy for Enteral Nutrition Products

Postponed until December

Reinstatement Phase II-Phase IV

Reinstate by Standard Therapeutic Class (STC)
30-day advance notice for each wave

Retire Transition Policy
90-day advance notice for Phase III

Reinstate Enteral Nutrition Products & Claim Edits
30-day advance notice for each Lift

1/20/23 – 2/24/23
New Starts only

3/24/23 – 6/23/23
Series of Transition lifts

8/4/23 – 11/10/23
Series of Reinstatement lifts

Members 22 and older

Performance

- As of August 2023, PA requirements have been reinstated for 98% of pharmacy products for adults 22 years of age and older with only Enteral Nutrition products remaining.
- Since September 2022, Medi-Cal Rx hosted more than 100 Reinstatement dedicated webinars with stakeholders to support successful implementation.
- Between January 1 and August 28, 2023, Medi-Cal Rx:
  - Processed more than 387,000 PAs with an average PA review time of less than one hour.
  - Answered more than 377,000 calls with an average speed to answer of less than 30 seconds.
  - Processed more than 110 million paid point of sale pharmacy claims.

Shared Successes

Based on stakeholder feedback and collaboration:

- The Contract Drug List (CDL) has been expanded to include more pediatric medications and/or formulations for improved access.
- Enteral Nutrition criteria has been updated and an Enteral Nutrition-specific PA fax form was created to enhance the provider experience.
- Claims response messaging has been modified for greater clarity and direction for pharmacists.
- CoverMyMeds (CMM) adoption goals have been exceeded, with 80% of all PAs submitted via CMM, enabling auto-resolution (real-time approval or change in therapy) for 58% (as of June 2023).

Critical Learnings

- **Lead time is critical**
  - Stakeholder preparedness requires awareness and ability to align with changes
    - Cascade/spread of information
    - System and/or process changes

- **Successful operation requires ongoing review of current processes for quality improvement, efficient processes, and system stability**
  - Reduction in administrative burden
  - Removal of barriers that hinder timely access to pharmacy benefits

- **Continued stakeholder engagement is critical**
  - Foster key partnerships for cycle of continuous learning and improvement

- **Pediatric population should have same experience as adult population**
  - Ensure safe and timely access with appropriate utilization controls
  - Eliminate redundant processes for providers

Advancing Medi-Cal Rx

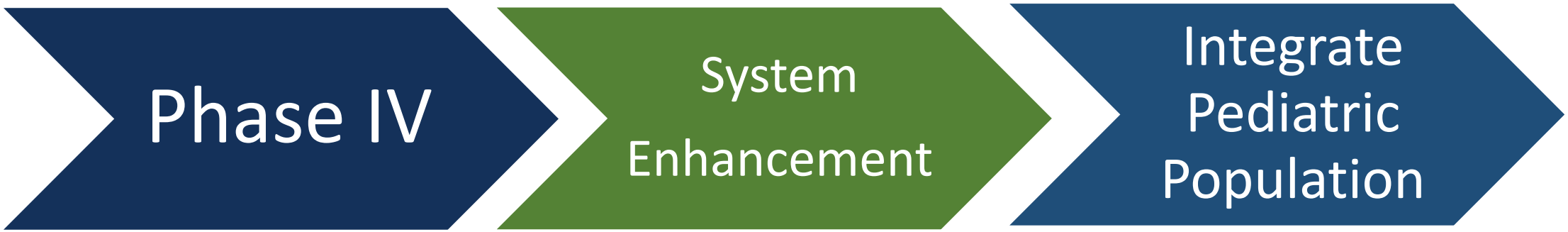
- Cornerstone of strategy remains stakeholder partnership
  - Transparency
  - Advance notice of change including how stakeholders must prepare
  - Inclusion of feedback in planning and evaluation of implementation
- Focus will shift from reinstatement to system and program enhancements
  - Leverage successful operational practices
  - Investigate and resolve identified issues as they arise
  - Consistently review current processes for quality improvement
  - Establish sustainable, efficient system for delivery of pharmacy benefit administration

2023 – 2024 Medi-Cal Rx Roadmap

Completion of Reinstatement
Reinstate Claim Edits and
Enteral Nutrition Products

System Improvements

Enable Pediatric-Responsive Policy and
Implement Utilization Management



8/4/23 – 11/10/23
Series of Lifts

Members 22 and older

Timelines TBD
30-Day Advance Notice

2024
Series of Lifts

Members 21 and younger

Integration of Pediatrics

Retirement of Transition Policy for all NDCs
Complete as of June 23, 2023 (Phase III)

Reinstate Claim Edits and
Enteral Nutrition Products for Adults 22+
November 2023 (Phase IV)

Enable Pediatric-Responsive Policy
Implement Utilization Management

2023

Members 22 and older

No sooner than 2024

Members 21 and younger

Resources and Support

- Initiative-focused pages on Medi-Cal Rx website with links to:
  - Alerts and Weekly Newsletters
  - Frequently Asked Questions (FAQs)
  - Monthly Updated Medi-Cal Approved NDC List
  - Drug Look-Up Tool
- Office hours to support stakeholders
- Medi-Cal Rx Customer Service Center at 1-800-977-2273, 24 hours/7 days, 365 days per year.
- Providers can also seek assistance via the Education and Outreach team at MediCalRxEducationOutreach@magellanhealth.com

Questions

We thank you for your continued partnership and commitment to serving members enrolled with Medi-Cal