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### Single Preferred Drug List (PDL) Frequently Asked Questions

#### 1. What is the single PDL?

A PDL is a list of outpatient drugs covered under the pharmacy benefit that health care payors use to encourage providers to prescribe certain drugs over others. The single, state-directed pharmacy benefit PDL is a list of outpatient **preferred** products for both the South Carolina Department of Health and Human Services' (SCDHHS) fee-for-service (FFS) Medicaid program (Medicaid) and its five Medicaid managed care organizations (MCOs). SCDHHS will be transitioning to this single PDL on July 1, 2024. **The single PDL is not a comprehensive list of all medications covered by Medicaid.** 

### 2. What is changing?

Beginning July 1, 2024, all MCO plans will align with the FFS pharmacy program, covering the same preferred and non-preferred products.

### 3. Why is this change being made?

This change improves provider and member experience through enhanced and simplified medication access across all South Carolina Healthy Connections Medicaid pharmacy drug benefits. Transitioning to a single PDL allows SCDHHS to support use of the most cost-effective medication within a drug class, without compromising safety and efficacy, regardless of whether a Medicaid member is enrolled in the state's FFS Medicaid program or one of the five Medicaid MCOs.

# 4. How does this affect continuity of care if a member has a prior authorization (PA) for a prescription?

Medicaid members who are enrolled in an MCO and have a prescription dated on or before June 30, 2024, can continue to access their prescribed drugs for up to six months or through Dec. 31, 2024, regardless of whether it is included on the single PDL. The transition to a single PDL will not affect PA for drugs for those enrolled in the FFS Medicaid program.

#### 5. How are drugs chosen for the PDL?

The SCDHHS Pharmacy and Therapeutics (P&T) Committee reviews, discusses and votes on changes to the PDL recommended by SCDHHS. Information about the quarterly P&T Committee meetings is <u>available online here</u>.



- 6. How does this change affect drug classes that are not included in the PDL?

  Drug classes not included in the PDL are classified as non-managed. Covered outpatient drugs, per United States Code 42 USC 1396r-8, that are not included on the PDL will remain covered for South Carolina Healthy Connections Medicaid members. These agents may be subject to clinical criteria requirements as specified by the MCO in which the member is enrolled. Clinical criteria requirements for those enrolled in the FFS Medicaid program are not changing at this time.
- 7. Will drugs not listed on the PDL be listed as preferred or non-preferred?

  No, non-managed products cannot be listed as preferred or non-preferred.

## 8. How does the PDL change affect physician-administered drugs under the medical benefit?

At this time, the PDL only affects outpatient pharmacy products covered under the pharmacy benefit. The medications and devices listed on the PDL are billed and dispensed by pharmacy providers and processed through the pharmacy benefit.

### 9. Where can a copy of the PDL be found?

SCDHHS' single PDL for all South Carolina Healthy Connections Medicaid members is located on SCDHHS' website.

### 10. Will the process to obtain a PA change?

No, the process to obtain a PA will **not** change. Each MCO and the FFS Medicaid program will continue to process claims for their members. Prescribing providers should continue to submit PA requests to the member's MCO or through Magellan Rx Management if the member is covered through the FFS Medicaid program's pharmacy benefit.

## 11. Will MCOs use different PA and utilization criteria for non-preferred drugs on the PDL?

MCOs will not be directed to follow SCDHHS' FFS pharmacy PA or utilization criteria. However, MCOs must develop and utilize criteria in compliance with sections 1902,1903 and 1927 of the Social Security Act and 42 CFR § 438.3, prescription drug coverage under Medicaid. MCOs should demonstrate coverage consistent with the amount, duration and scope as described by Medicaid FFS. The transition to a single PDL will not affect PA or utilization criteria for pharmacy products for those enrolled in the FFS Medicaid program.

### 12. How is a drug selected for inclusion on the PDL?

SCDHHS' Office of Medical Directors and Pharmacy Services will direct the PDL development and maintenance, utilizing the assistance of the FFS pharmacy benefit administrator, Magellan Rx Management. The P&T Committee will continuously review the PDL, provide recommendations and vote on any updates to the PDL.

### 13. How will new drugs to market be handled?

The PDL will update on a continuous basis. Drugs that are new-to-market and meet Centers for Medicare & Medicaid Services outpatient drug requirements will be covered as non-preferred until reviewed by SCDHHS and the P&T Committee. Once a determination is made, drug classes may be added to, edited or removed from the PDL.

- 14. Can generic equivalents or biosimilars be approved based on continuity of care when branded products are preferred, on or after July 1, 2024?

  Generic equivalents and biosimilars will be allowed to be filled during the continuity of care period until Dec. 31, 2024. During this period, prescribers and pharmacies are encouraged to continue the medication with the branded product.
- 15. For Medicaid members who become Medicaid-eligible after July 1, 2024, is a one-time transition fill allowed for medications on which the member has demonstrated they are stable but that are not on the single PDL?

  Yes, up to a 90-day supply of therapy may be dispensed for continuity of care.