

May 8, 2024  
MB# 24-016

## MEDICAID BULLETIN

**TO: All Providers**

**SUBJECT: Implementation of a Single Preferred Drug List**

Effective July 1, 2024, the South Carolina Department of Health and Human Services (SCDHHS) will implement a single, state-directed pharmacy benefit preferred drug list (PDL) for all providers enrolled in the Healthy Connections Medicaid program. SCDHHS currently operates a PDL exclusively for Medicaid members who are enrolled in the fee-for-service (FFS) Medicaid program, while each managed care organization (MCO) maintains and operates its own independent PDL.

The single PDL that will become effective July 1, 2024, will be based on SCDHHS' [current FFS PDL](#), which is available on the [pharmacy section of SCDHHS' website](#). A list of single PDL [frequently asked questions \(FAQs\) is also available](#) on pharmacy section of SCDHHS' website. SCDHHS will host two live provider training sessions via webinar on Wednesday, May 22, 2024, from 7:30-9 a.m. and from 12:30-2 p.m. Registration information for the provider training webinars, updates to the FAQs and other provider training resources will be announced via a provider bulletin.

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. A PDL is not a comprehensive list of all medications covered by Medicaid. Generally, drugs and pharmacy products included on a PDL are not subject to prior authorization, but there are some exceptions.

Though the single PDL will be established by SCDHHS, prior authorization processes and criteria for non-preferred drugs are not changing through the transition to a single PDL. For Healthy Connections Medicaid members who are enrolled in an MCO, providers will still use the prior authorization process and criteria established by the MCO. For Healthy Connections Medicaid members who are enrolled in the FFS Medicaid program, providers will still use SCDHHS' prior

authorization process and criteria. For drugs that are not on the PDL, providers must follow the prior authorization process and criteria established by the MCO. MCOs may not maintain a prior authorization process that is more restrictive than the drugs managed under the FFS Medicaid prior authorization process.

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. This change will lower the administrative burden for health care providers as providers will only need to monitor one PDL regardless of whether their Medicaid patient is enrolled in FFS Medicaid or an MCO. This will also improve continuity of care for Medicaid members when switching MCOs or moving between FFS Medicaid and an MCO as the member will no longer be required to change medications because of differing PDLs.

As the state transitions to a single PDL effective July 1, 2024, SCDHHS has developed continuity of care provisions for Medicaid members. Medicaid members who 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.

South Carolina's Medicaid MCOs are responsible for the authorizations, coverage and reimbursement related to the services described in this bulletin for Healthy Connections Medicaid members who are enrolled in an MCO.

Providers should direct any questions related to this bulletin to SCDHHS' Office of Pharmacy Services at [pharmacy@scdhhs.gov](mailto:pharmacy@scdhhs.gov).

Thank you for your continued support of the South Carolina Healthy Connections Medicaid program.

/s/  
Robert M. Kerr