



Pharmacy Services Mission Statement

To provide pharmaceutical products and clinical services in keeping with the highest quality of patient care by incorporating the principles of Quality Management in the most cost effective manner.

THE AMERIHEALTH MERCY HEALTH PLAN DRUG FORMULARY

The AmeriHealth Mercy Health Plan drug benefit has been developed to cover medically necessary prescription products. The pharmacy benefit design provides for outpatient prescription services that are appropriate, medically necessary, and are not likely to result in adverse medical outcomes.

The AmeriHealth Mercy Formulary and prior authorization process are key components of the benefit design. The medications included in the formulary are reviewed and approved by the Pharmacy and Therapeutics Committee and the Department of Public Welfare (DPW). The Pharmacy and Therapeutics Committee includes physicians and pharmacists actively participating in the AmeriHealth Mercy provider network. The goal of the formulary is to provide clinically efficacious, safe and cost-effective pharmacologic therapies based on prospective, concurrent, and retrospective peer reviewed medical literature.

The Pharmacy and Therapeutics Committee meets regularly to review and revise the formulary. All providers (both participating pharmacies and physicians) are sent copies of the AmeriHealth Mercy formulary and are periodically notified of formulary updates. Providers may request addition of a medication to the formulary. Requests must include the drug name, rationale for inclusion on the formulary, role in therapy and formulary medications that may be replaced by the addition. All requests should be forwarded in writing to:

**AmeriHealth Mercy Health Plan
Pharmacy and Therapeutics Committee
200 Stevens Drive
Philadelphia, PA 19113**

Physician State License Number

When processing a claim for a Member, an accurate physician's state license number is required. (This is also a requirement of DPW.) Claims submitted without a valid physician's state license number will be rejected with NCPDP reject code 25 "Missing/Invalid Prescriber ID". Please contact the AmeriHealth Mercy Pharmacy Services Department at **1-866-610-2774** for assistance.

Important Contact Information

Billing/Payment Inquiries:

AmeriHealth Mercy Health Plan
Pharmacy Services Department
1-866-610-2774
Hours: M-F 8:30 a.m.-6:00 p.m.

Claim/Transmission Questions:

Argus Health Systems
1-800-522-7487
Hours: M-F 8 a.m.-1 a.m.
Sat 10 a.m.-6 p.m.
Sun 10 a.m.-6 p.m.
Holidays 10 a.m.-6 p.m.

Member Eligibility:

AmeriHealth Mercy Member Services
1-888-991-7200
24 hours/day/7 days/week

Prior Authorization Requests:

AmeriHealth Mercy Health Plan
Physician Prior Authorization Line
1-866-610-2774
M-F 8:30 a.m.-6:00 p.m.
1-888-991-7200
Sat, Sun, Holidays, and after hours

Mailing Address:

AmeriHealth Mercy Health Plan
Pharmacy Services Department
200 Stevens Drive
Philadelphia, PA 19113

Covered Services

Covered services are those services related to dispensing prescription and Over-the-Counter drugs in accordance with the Member's benefit plan and Pennsylvania Medical Assistance Program.

Days Supply Dispensing Limitations

Depending on their benefit plan, AmeriHealth Mercy members may receive up to a 34-day supply or 150 units, whichever is less, of a pharmaceutical product per prescription order or refill. A 34-day supply shall be interpreted to mean consecutive 34-day supply, i.e. if a physician prescribes medication b.i.d. (two times a day), a 34-day supply corresponds to a quantity of 68. Quantities greater than 150 units require prior authorization.

Certain formulary medications may have quantity limits of less than 150 units or 34 days that are based on FDA guidelines and accepted standards

of care. These products are notated in the formulary and require prior authorization for greater quantities.

The prescriber is urged to prescribe in amounts that adhere to FDA guidelines and accepted standards of care. The day supply must be accurately computed by the dispensing pharmacist to assure compliance with Plan parameters.

Prescribed package sizes can not be altered unless approved by the prescriber and must be within the 34-day limit.

Vacation Supplies

AmeriHealth Mercy allows one vacation supply per medication per Member per year without any prior authorization. Vacation supplies may be obtained by contacting AmeriHealth Mercy Pharmacy Services at **1-866-610-2774**.

The Member Services Department (**1-888-991-7200**) can enter the override code to allow for the dispensing of a temporary supply.

However, if the medication is a controlled medication or the Member has already obtained one vacation supply, the request must be reviewed by the AmeriHealth Mercy Pharmacy Services Department.

Refill Frequency

The frequency with which a prescription can be refilled is monitored by the Argus Claims Processing System. Members may have their prescriptions refilled when eighty-five percent (85%) or more of the medication is utilized. Claims submitted for refills before 85% of the medication is utilized, will be rejected with NCPDP reject code 79 "Refill Too Soon".

If a claim is rejected because the dose of the particular medication has been increased or the day supply on the original prescription was entered incorrectly, the Pharmacy must call AmeriHealth Mercy's Pharmacy Services Department at 1-866-610-2774 for prior authorization.

Oral Contraceptives

A Member with oral contraceptive coverage may receive one (1) cycle at a time.*

*AmeriHealth First will work with Argus Health Systems to ensure payment for these products.

Generically Available Over-the-Counter Medications

Certain generic over-the-counter medications are covered by AmeriHealth Mercy with a prescription from the prescribing physician and are limited to a 34-day supply and include:

- Analgesics such as aspirin, acetaminophen and nonsteroidal anti-inflammatory drugs

- Antacids
- Antidiarrheals such as loperamide and kaolin-pectin combinations
- Antiflatulents such as simethicone
- Antihistamines
- Antinauseants
- Bronchodilators
- Cough and cold preparations (OTC and RX products within this class are not covered for members 2 years of age or less)
- Contraceptives
- Hematinics not including long-acting products
- Insulin
- Laxatives and stool softeners
- Nasal Preparations
- Ophthalmic preparations
- Single and multiple ingredient topical products such as antibacterials, anesthetics, antifungals, dermatological baths, rectal preparations, tar preparations (excluding soaps, shampoos, and cleansing agents), wet dressings, scabicides, corticosteroids and benzoyl peroxide.
- Single and multiple vitamins with and without fluoride are covered.
- Prenatal vitamins
- Quinine
- Oral electrolyte mixtures
- Tobacco cessation products

Generic Medications

Generic drugs are mandated when AB-rated generic drugs are available. Requests for "Brand Necessary" medications require prior authorization. The request must include information to substantiate medical necessity for a brand medication, such as documentation of adverse effects of generic alternatives. Brand name products are covered without authorization for the following drugs:

- Thyroid preparations
- Digoxin
- Insulin
- Sustained Release Theophylline
- Phenytoin
- Carbamazepine
- Lithium
- Warfarin

Physician Prior Authorization Program

Prior authorization is required for the following products:

- All non-formulary medications
- All prescriptions that exceed plan limits
- All brand name medications where there is an AB-rated generic equivalent
- Limited use agents
- Regimens that are outside the parameters of use approved by the FDA or accepted standards of care
- Prescriptions that exceed \$500.00
- Self-Injectable medications other than insulin, Epipen, Haloperidol and Fluphenazine

- Prescriptions processed by non-network pharmacies
- Compounded prescriptions
- Early refills
- Vacation supplies in excess of one vacation supply per medication per year
- Please note: additional drugs in the formulary require prior authorization.

Prior Authorization Procedure

The Pharmacy Services Department at AmeriHealth Mercy issues prior authorizations to allow processing of certain prescription claims that would otherwise be rejected. To contact the Pharmacy Services Department by telephone, call **1-866-610-2774** between 8:30 a.m. and 6:00 p.m. Monday through Friday (EST); and after business hours, Saturday, Sunday and Holidays, the Member Services Department at **1-888-991-7200**.

The prior authorization procedure is as follows:

- I The physician or the dispensing pharmacist contacts AmeriHealth Mercy by telephone **1-866-610-2774** or in writing by fax **1-888-981-5202** to request prior authorization for non-formulary, non-covered agents, or those designated pharmaceutical agents outlined in the formulary. Member Services Department may be contacted after business hours, Saturdays, Sundays, and Holidays by telephone at **1-888-991-7200**.
 - II Utilizing criteria approved by both AmeriHealth Mercy's Pharmacy and Therapeutics Committee and DPW, (hereafter referred to as "Approved Criteria"), a AmeriHealth Mercy pharmacist reviews the request.
 - A. When the prior authorization request meets the Approved Criteria, the request is approved and payment for the prescription may be authorized for a period of up to six months, or for the length of the physician's request, whichever is shorter.
 - III When the prior authorization request does not meet the Approved Criteria, the request is forwarded to a AmeriHealth Mercy Medical Director for review. In evaluating the request, the Medical Director generally relies upon information supplied by the prescriber, guidelines published in the Physicians Desk Reference, and accepted clinical practice guidelines. In the event of insufficient information provided by the prescriber, an AmeriHealth Mercy Pharmacist will attempt to contact the prescriber to obtain the necessary clinical information for review. In addition, the decision will comply with the following statutory and regulatory requirements:
 - 55 Pa. Code 1121 (The Pennsylvania Code)
 - Medical Assistance Bulletin 03-94-03
 - The Social Security Act
 - OBRA '90 guidelines
 - Any other applicable state and/or federal statutory/regulatory provisions
- A. If the request is for an ongoing medication, AmeriHealth Mercy will automatically authorize a 15-day temporary supply of the requested medication at the point-of-sale. If the request is for a new medication and the medication is covered by the Medical Assistance Program, a 5-day temporary supply of medication will automatically be authorized at the point-of-sale.
 - B. AmeriHealth Mercy will review requests for prior authorization when a 5 or 15-day temporary supply has been dispensed, regardless of whether the prescriber formally submits a prior authorization request. AmeriHealth Mercy will review such prior authorization requests and issue its determination within 24 hours. In the event that AmeriHealth Mercy cannot issue a written denial notice within the 24 hour time-frame, AmeriHealth Mercy will authorize a temporary supply until such time that the member is notified of AmeriHealth Mercy's determination. For those requests that are approved by an AmeriHealth Mercy pharmacist, AmeriHealth Mercy will contact the Participating Pharmacy by telephone to inform the Pharmacy of the approval. Within one business day of being notified by AmeriHealth Mercy Health Plan of the approval, the Participating Pharmacy must contact the Member to let the Member know that the prescription has been authorized and when the prescription will be ready for pick-up.
 - C. For those requests that can not be approved by an AmeriHealth Mercy pharmacist, an AmeriHealth Mercy Medical Director will review each request and make a determination within 24 hours. In the event of a denial, AmeriHealth Mercy will notify the physician, the Primary Care Physician (PCP) and the Member in writing within 24 hours and will offer the physician a formulary approved alternative. The correspondence will outline specifically all Member and practitioner appeal rights. If the request is approved by the Medical Director, AmeriHealth Mercy will notify the prescribing physician that the request has been approved.
 - D. The prescribing physician or PCP may discuss AmeriHealth Mercy's decision with an AmeriHealth Mercy Clinical Pharmacist or Medical Director during regular business hours. To speak with an AmeriHealth Mercy Clinical Pharmacist or Medical Director, please call the Pharmacy Services Department at **1-866-610-2774**.
 - E. Prescribers and members may obtain prior authorization criteria related to a specific denial determination by submitting a written request for the criteria to the Pharmacy Services Department.

Provider Complaint/Appeal Procedures

Participating providers of all provider types including Participating Pharmacies have the opportunity to request resolution of informal provider complaints or formal provider appeals that have been submitted to the appropriate internal AmeriHealth Mercy Health Plan Department.

Pharmacy Providers wishing to register an **informal provider complaint** should do so by contacting the Provider Services Department at **1-800-521-6007**, or the Pharmacy Services Department at **1-866-610-2774**. Provider or Pharmacy Services Representatives will document the complaint and coordinate resolution. The Provider or Pharmacy Services Representative who initially took the call is responsible for informing the provider, either by telephone or written correspondence, of the resolution.

Pharmacy Providers who are dissatisfied with the resolution of an informal provider complaint may request a formal provider appeal. Formal provider appeals must be submitted in writing to: AmeriHealth Mercy, Provider Appeals Department, 200 Stevens Drive, Philadelphia, PA 19113.

Physicians and Pharmacy Providers, with the Member's written consent, may file a **grievance on behalf of the Member** by contacting AmeriHealth Mercy's Member Services Department at **1-888-991-7200**.

Temporary Supplies

AmeriHealth Mercy and its Participating pharmacies are required by DPW to dispense a temporary supply of medications when a prescription rejects for prior authorization because the medication is not on the formulary or is a formulary medication requiring prior authorization. For new medication therapies, a 5-day supply of the medication must be dispensed and for ongoing medication therapies, a 15-day supply of medication must be dispensed. In order to facilitate this mandate, Argus Health Systems has automated these temporary supplies. If you are having difficulty in transmitting a claim for a temporary supply, please contact AmeriHealth Mercy Pharmacy Services Department at **1-866-610-2774** during normal business hours of 8:30-6:00 Monday to Friday, and AmeriHealth Mercy Member Services Department at **1-888-991-7200** after business hours, Saturdays, Sundays and Holidays. **A Member whose prescription rejects for prior authorization because the medication is non-formulary or a formulary medication requiring prior authorization should not be turned away at the pharmacy without receiving a temporary supply of the medication unless the dispensing pharmacist, in his/her professional opinion, feels that dispensing the medication would jeopardize the health and safety of the Member.**

Medications Covered by Other Insurance (Coordination of Benefits and Third Party Liability)

As an agent of the Commonwealth of Pennsylvania Medical Assistance Program, AmeriHealth Mercy is always the payor of last resort in the event that a Member receives a medication that is covered by another payor source. The claim must be billed to the primary insurance, and subsequently billed on-line or submitted on a Universal Claim Form (UCF) to AmeriHealth Mercy for any outstanding balance.

Non-Covered Medications

The following is a list of non-covered medications under the Medical Assistance Program:

- Drugs and other items prescribed for any of the following: obesity, anorexia, weight loss, weight gain or appetite control unless the drug or item is prescribed for any medically accepted indication other than obesity, anorexia, weight loss, weight gain or appetite control.
- Hair growth or other cosmetic purposes
- Drugs which promote fertility
- Nonlegend drugs in the form of troches, lozenges, throat tablets, cough drops, chewing gum, mouthwashes and similar items with the exception of products for tobacco cessation.
- Pharmaceutical services provided to a hospitalized person.
- Single entity and multiple vitamin preparations except for those listed previously.
- Drugs and devices classified as experimental by the FDA or not approved by the FDA.
- Placebos.
- Nonlegend soaps, cleansing agents, dentifrices, mouthwashes, douche solutions, diluents, ear wax removal agents, deodorants, liniments, antiseptics, irrigants, and other personal care and medicine chest items.
- Nonlegend aqueous saline solution
- Nonlegend water preparations
- Nonlegend drugs not covered by the Pennsylvania Medical Assistance Program.
- Items prescribed or ordered by a physician who has been barred or suspended from participating in the Medical Assistance Program.
- DESI drugs and identical, similar or related products or combinations of these products.
- Legend or nonlegend drugs that the manufacturer seeks to require as a condition of sale that associated tests or monitoring services be purchased exclusively from the manufacturer or its designee.
- Prescriptions or orders filled by a pharmacy other than the one to which a recipient has been restricted because of misutilization or abuse.

- Nonlegend impregnated gauze and any identical, similar, or related nonlegend products.
- Any pharmaceutical product marketed by a drug company which has not entered into a rebate agreement with the Federal Government as provided under Section 4401 of the Omnibus Budget Reconciliation Act of 1990.
- Any drugs prescribed for sexual or erectile dysfunction.

Drug Utilization Review

AmeriHealth Mercy's pharmacy drug utilization program is coordinated with AmeriHealth Mercy quality assurance programs to achieve quality care through a disease management approach.

The Drug Utilization Program is designed to identify and correct potentially harmful prescribing patterns, enhance community prescribing standards, and detect patterns of fraud and abuse. The policy and procedures meet federal statute/regulation citation Section 4401 (g) of OBRA '90 and 42 CFR 456 as well as NCQA guidelines. AmeriHealth Mercy's continuous quality improvement philosophy allows for annual evaluation and assessment of the program, resulting in the implementation of improved programs that are responsive to the needs of our members and providers.

The Prospective Drug Utilization Review (DUR) system provides AmeriHealth Mercy with the ability to minimize the number of potentially dangerous conditions that result from improper drug utilization.

The system achieves this objective by:

- Reviewing prescription drug claims for therapeutic appropriateness prior to medication dispensing
- Using criteria that include the patient's medical history and clinical parameters
- Focusing on those Members with conditions that place them at the highest level of risk for potentially harmful outcome

At the point of sale, the prescription is reviewed against the therapeutic criteria file catalogues, and therapeutic problems are monitored that are significant to AmeriHealth Mercy's prescription drug program. The therapeutic file includes approximately 228 AHFS primary classes of drugs. Further, the criteria address disease categories that may predispose patients to inappropriate and potentially harmful drug use situations.

The system evaluates each incoming drug claim when the pharmacist enters the information for the prescription with respect to the Member's drug and medical history. The system identifies potential drug therapy problems. Monitoring is accomplished through an on-line alert message system transmitted in conjunction with claim adjudications that may present potential therapeutic problems. When appropriate, the pharmacist receives advice, then takes additional steps to evaluate the order (e.g., calling the prescribing physician).

The file also incorporates the following, eleven drug therapy problem types:

- Excessive drug dosage (age-specific)
- Insufficient drug dosage (age-specific)
- Drug pregnancy contraindications
- Excessive quantity dispensed
- Early refill (over-utilization)
- Late refill (under-utilization)
- Drug age contraindications
- Drug drug interactions
- Therapeutic duplications
- Generic product availability

All criteria are rated using the following severity indicators:

- Cause serious harm to relatively few people (high risk and low incidence)
- Cause relatively minor harm to a large number of people (low risk and high incidence)
- Significantly increase the cost of health care by increasing hospitalizations or the use of other treatment modalities.

A claim that is submitted either on-line (or previously approved for paper, via paper claim) by a participating pharmacy and subsequently approved for payment that includes DUR messages is subject to post-payment audit and recoupment if written documentation is not maintained that pertains to the message(s) returned with the claim. If a message is returned saying that the approved claim has a dosage that exceeds standards developed by a national database company, and no notation is retrievable that documents a discussion between the pharmacist and the prescriber verifying the high dose, the claim is subject to reversal upon audit. Likewise, a claim paid but returned with a duplicate therapy message is subject to reversal without documentation demonstrating that the prescriber spoke with the dispensing pharmacist and approved the concurrent administration of both drugs involved.

In the event a medication requires prior authorization, a system alert message will appear, advising the pharmacist to call the AmeriHealth Mercy Physician Prior Authorization Line.

AmeriHealth Mercy Health Plan produces selected retrospective review reports for clinical analysis and physician intervention services utilizing Argus Health System's RX Focus computer program. This provides screening and trending of prescription claims data, using therapeutic criteria standards, to identify patterns of inappropriate drug utilization and to evaluate the total cost of care.

AmeriHealth Mercy reviews the information and submits reports to its Pharmacy and Therapeutics Committee for review and development of quality improvement programs. These will include but are not limited to outcomes research activities, provider education and member education programs.

Recipient Restriction

AmeriHealth Mercy participates in DPW's Recipient Restriction Program. Under this program, Members that are identified by AmeriHealth Mercy and DPW as misutilizing and/or abusing services or defrauding AmeriHealth Mercy or the Medical Assistance Program are restricted to one physician and one Participating Pharmacy for a period of five (5) years. AmeriHealth Mercy contacts the Member's physician and Participating Pharmacy of choice to ask if the provider is willing to accept the restricted Member. The restriction is not enforced in cases of emergency. Please contact AmeriHealth Mercy at **1-866-610-2774** in such cases. If you suspect Member misutilization, abuse and/or fraud, please contact AmeriHealth Mercy's Recipient Restriction Coordinator at **215-937-5020** or our Pharmacy Services Department at **1-866-610-2774**.

Compounded Prescriptions

A claim for a compound prescription should be submitted using the NDC of the most expensive legend ingredient (one of the ingredients must be a legend drug). The pharmacy's software should be able to flag the prescription as a "Compound Prescription" and the compound ingredient cost must be manually entered by the pharmacy. The claim may be submitted via paper claim if the Participating Pharmacy is unable to process compound prescriptions on-line.

Quantity

For liquids or topical medications, the metric quantity of the medication should be reported as the number of grams (gms) or milliliters (mls). If the metric quantity is a fraction, round up to the nearest whole number (i.e. for 42.4 gms round up to 43). All topical medications are limited to the smallest available size.

Durable Medical Equipment (DME) Supplies

Certain DME supplies under \$500.00, such as blood glucose test strips, lancets, alcohol swabs and generic diapers are covered by AmeriHealth Mercy's DME Program and may be billed on-line by the Participating Pharmacy if the Participating Pharmacy has executed an AmeriHealth Mercy Participating Pharmacy Agreement Addendum to dispense such DME supplies.

Blood Glucose Monitors

Providers may call **1-877-229-3777** to order a blood glucose monitor for AmeriHealth Mercy Members. The monitor will be shipped directly to the Member's home.

Additional Information

Pharmacies who have additional questions not addressed by the formulary preface should contact the AmeriHealth Mercy Pharmacy Services Department at **1-866-610-2774**.

Available Web Information

The following reference materials are available on the AmeriHealth Mercy Health Plan website: www.amerihealthmercyhp.com

- AmeriHealth Mercy Formulary
- AmeriHealth Mercy Prior Authorization Form

Self-Injectable Medications

Certain self-injectable products require an authorization from AmeriHealth Mercy prior to dispensing. To obtain the authorization, the treating physician must complete the Prior Authorization Form and return it to the AmeriHealth Mercy Pharmacy Services Department via fax at **1-877-693-8483**. Additional supportive information, such as objective patient findings and clinical laboratory results, may be requested by AmeriHealth Mercy to support the request for prior authorization.

Upon receipt of a completed Prior Authorization Form, a determination to approve or deny coverage for the requested self-injectable product will be made by AmeriHealth Mercy within 24 hours. The prior authorization decision will be communicated in writing to both the requesting provider and the member.

If you have any additional questions, please call the AmeriHealth Mercy IV/Injectable Medication hotline at **1-877-693-8257**.

Smoking Cessation Benefit

Members with pharmacy coverage are entitled to receive up to 6 months of smoking cessation products per calendar year. This would include generic nicotine replacement patches, Zyban and Chantix^Δ, which do not require prior authorization. If you have questions about the smoking cessation benefit, contact Pharmacy Services at **1-866-610-2774**.

^ΔLimited to use in patients ≥ 18 years old.

^ΔLimited to 24-week treatment per calendar year.