ILLINOIS DEPARTMENT OF
iHFS Healthcare and
Family Services

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Informational Notice

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To: Participating Advanced Practice Nurses, Dentists, Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs), Encounter Rate Clinics (ERCs), Hospitals, Local Health Departments, Pharmacies, Physicians, Podiatrists and School Based/Linked Health Centers

Re: Four Prescription Policy

The Medicaid reform law, called the _SMART Act (pdf)_, signed into law in June 2012, requires the department to require prior approval for medications after a client has filled four prescriptions in the preceding 30 days. This statutory requirement applies to both adults and children. This notice provides updated information on the policy including general information and information related to resolution of implementation challenges.

Policy Background and General Information

The purpose of the four prescription policy is to have providers review their patients' entire profile of maintenance medications and, where possible and clinically appropriate, reduce duplication, unnecessary medications, and poly-pharmacy, and avoid other problems. The four prescription policy was developed as a result of budget negotiations, but best-practices call for an annual review of the full regimen of prescriptions for any patient.

Exclusions: Drugs in the following classes will not require prior approval as a result of the four prescription policy: Oncology Agents; Anti-Retroviral Agents; Contraceptives; and Immunosuppressives. In addition, over-the-counter drugs and non-drug items such as blood glucose test strips and monitors are excluded from the policy.

Exceptions: The four prescription policy is not a "hard" limit. Medicaid patients can and should have access to medications that are medically necessary, even if they exceed four prescriptions per 30 days. The policy simply requires prior approval (PA) for prescriptions above four, for the purpose set forth above.

Emergency Situations: When department staff is not available to process PA requests (during non-business hours such as evenings or weekends) in an emergency situation, a pharmacy can dispense a 72-hour supply, and will be reimbursed after the pharmacy follows up with a prior approval request for the emergency supply.

Phase-In: In order to ensure that the PA volume does not exceed the department's data entry and review capacity, we are phasing in the implementation. In July, we began reviewing the highest users – those with more than 12 prescriptions per month. We are now moving down steadily toward the required standard. Currently, we require prior approval for a patient's prescriptions after the patient has filled nine prescriptions in the preceding 30 day period. In addition, currently, prescriptions for children under the age of 19 will not reject as a result of the policy. Also, currently, prescriptions for clients residing in long-term care facilities will not reject as long as their admission to the facility is properly recorded in the department's eligibility system. The department will continue to phase in the implementation based on capacity.

Prior Approval Timeframes: In general, a four prescription policy override request is approved for one year. In certain circumstances short-term approvals will be granted and the provider will be notified by department staff. An example would be in a circumstance where a provider was unaware a patient was taking a medication that cannot be stopped abruptly and requires tapering.

Prior Approval Methods: Prescribers can request PA in three ways:
•   Calling the prior approval hotline
•   Faxing a PA request to the PA hotline
•   Requesting PA through MEDI (online application)

The MEDI online PA application is encouraged, and is discussed in more detail below.

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Implementation Challenges and Resolutions

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With 2.7 million clients, we recognize that the volume of PA requests and resulting delays are creating problems for providers, pharmacies, and clients. We are taking the following steps to address outstanding issues:

Delay in Data Entry of Faxed Requests: We have hired and trained temporary employees to assist with data entry, and as of October 24, 2012, data is generally being entered within approximately four (4) hours of receipt of request.

Clinical Review: The department significantly increased the number of pharmacists available to conduct PA reviews. Our clinicians currently are reviewing and making determinations on four prescription policy overrides within about two (2) hours of data entry.

Prior Authorization Hotline Availability: The Prior Authorization hotline is receiving significantly more calls than usual, resulting in long hold times and busy signals. The department is establishing an overflow line. The overflow line will not place providers in the hotline queue to be answered but will provide a recorded message about MEDI (more information on MEDI below) and will refer the provider to other avenues to check the status of a request already made.

Notification of Determination on Prior Approval Requests: Many calls to the hotline are simply to check the status of a prior authorization request that has already been made. **Please do not call the hotline to check the status of a four prescription policy override PA request.** Following are alternative methods of checking the status of a request.
• **Web-Based Inquiry.** Providers can request notification of a determination on a prescription policy prior authorization request by submitting a status inquiry on the department's Web site. Department staff will respond with the status of the request(s) that provider has made on behalf of the patient.
• **MEDI.** If you use the Medical Electronic Data Interchange (MEDI) system to enter a prior approval request, you can check the status of the request through the MEDI system using the prior approval request number.
• The department continues to explore other alternative methods of checking the status of a prior approval request.

Pharmacist Involvement in Process: The department believes that in order for the four prescription policy to be meaningful, a provider must review the patient's entire medication profile and determine those medications that are necessary and appropriate. Currently, the department requires the prescriber to request overrides. The department is exploring ways to involve the pharmacists in the prior approval process.

Promotion of the Web-Based PA System: Prescribers are **strongly** encouraged to use the MEDI PA system for prior approval requests. Requests entered into the MEDI system **go directly into the department's drug prior approval adjudication database for review by a physician or pharmacist**. Requests that are faxed to the department's Prior Approval Hotline must be data entered after receipt. The MEDI system is a more streamlined process and reduces the calls to the Hotline, and the amount of data entry that has to be performed by hotline staff. Providers who wish to use the MEDI System will need to complete the registration process if they have not already.

MEDI PA System Improvements—We Are Listening: The department is improving MEDI to better serve providers and make the PA system more efficient. Improvements expected to be implemented soon include:

- Providers will be able to query prior approval status by Provider NPI and RIN, and will receive status of all of their requests for that patient for the prior three months.
- The response to the status check query will contain additional information, including the drug name, the date range of the approval if applicable, and the denial reason if applicable.
- There will be a "form" specifically designed for four prescription policy override requests that is tailored to this policy.

Increasing MEDI PA System Awareness: We have identified high volume providers who generate a significant number of prior approval requests. Department staff is contacting those providers to help them use the MEDI system to request drug prior approval and four prescription policy overrides and to help them trouble-shoot any issues they encounter with MEDI. We will continue to increase our efforts to educate providers about the system and to encourage its use.

Frequently Asked Questions (FAQs): The department will soon publish a listing of Frequently Asked Questions (FAQs) related to the four prescription policy. Providers will receive notification when it is available on our Web site.

The Four Prescription Policy Works - We are Seeing Results

While the department acknowledges that there have been some implementation issues, the department also wants to ensure that the provider community knows that we are seeing positive results. Common problem areas identified through PA review include:

- Duplication of therapy, sometimes resulting from multiple prescribers, or from continuation of a prior drug after a prescriber intended to switch the patient to a different drug for the same indication.
- Excessive dosing
- Drug-drug interactions

The department sincerely apologizes for any inconvenience caused our providers as the high volume of PA requests, mandated by the new law, is being managed. We are working hard to make this an efficient, expedited, and effective system to benefit our Medicaid clients. We are also very interested in feedback from the provider community on ways to making the process more efficient. Your feedback is imperative to our ability to develop meaningful solutions that truly improve the process.

Theresa A. Eagleson, Administrator
Division of Medical Programs