
CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES

SECTION: TABLE OF CONTENTS**PAGE(S) 11**

PHARMACY BENEFITS MANAGEMENT SERVICES**TABLE OF CONTENTS**

SUBJECT	SECTIONS
OVERVIEW	37.0
GENERAL PROGRAM INFORMATION	37.1
<i>Providers should refer to Chapter 1 – General Information and Administration of the Medicaid Services Manual for additional information.</i>	
PHARMACY PROVIDER ENROLLMENT AND PARTICIPATION GUIDELINES	37.2
<i>Providers should refer to Chapter 1 - General Information and Administration of the Medicaid Services Manual for additional information on provider enrollment and requirements, including general standards of participation.</i>	
Provider Qualifications	
Provider Rights and Responsibilities	
Record Keeping Requirements	
Prohibition of Reassignment of Provider Claims	
Out-of-State Providers	
Provider Enrollment	
Medicaid Durable Medicaid Equipment/Supplies	
Medicare Enrollment	
Enrollment Process	
Point of Sale (POS) Enrollment	
Provider Record	
Reporting Changes	
Reporting the IRS	
MEDICAID RECIPIENT ELIGIBILITY	37.3
<i>Providers should refer to Chapter 1 - General Information and Administration of the Medicaid Services Manual for additional information on recipient eligibility.</i>	

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES

SECTION: TABLE OF CONTENTS**PAGE(S) 11**

PRESCRIBERS 37.4

- Qualified Prescribers
- Prescriber Numbers
- Prescribers Who Are Not Medicaid Program Providers
- Sanctioned Providers
- Accessing Prescriber Numbers

COVERED SERVICES, LIMITATIONS, AND EXCLUSIONS 37.5

- Terms and Conditions
- Tamper-Resistant Prescription Policy
- Authorized Benefits
- Non-Covered Services
- Prior Authorization and Preferred Drug List (PDL)
- Clinical Pre-Authorization
- Monthly Service Limit
 - Limit
 - Exceptions to Limit
 - Limit Override Procedures
- Drugs with Special Payment Criteria/Limitations
 - Age and Gender Restricted Drugs
 - Allergen Extracts
 - Anti-Anxiety Drugs
 - Analeptics: Armodafinil (Nuvigil®) and Modafinil (Provigil®)
 - Androgenic Agents (Testosterone and Methyltestosterone containing products)
 - Antihistamine/Decongestant Products
 - Antipsychotic Agents
 - Diagnosis Code Requirement on All Antipsychotic Medications
 - Age and Dosage Limits
 - Aripiprazole (Aristada®)
 - Attention Deficit Hyperactivity Disorder (ADHD) and Attention Deficit Disorder (ADD) Agents
 - Behavioral Health Medications for Recipients Less than 6 Years of Age
 - Clinical Pre-Authorization for ADHD Medications for Recipients Less Than 48 Months
 - Breipiprazole (Rexulti®)
 - Buprenorphine and Buprenorphine/Naloxone Agents (Bunavail, Suboxone®, and Zubsolv®)

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES**SECTION: TABLE OF CONTENTS****PAGE(S) 11**

Diagnosis Code Requirement	
Quantity Limits on Buprenorphine-Naloxone Products	
Concurrent Opioid Analgesic and/or Benzodiazepine Therapies	
Buprenorphine Transdermal Patches (Butrans®)	
Carisoprodol	
Contraceptive Agents	
Drospirenone/Ethinyl Estradiol/Levomefolate Calcium (Beyaz®)	
Etonogestrel (Nexplanon®)	
Etonogestrel/Ethinyl Estradiol Vaginal Ring (Nuvaring®)	
Oral Contraceptive Agents	
Medroxyprogesterone/Acetate Injectable	
Norelgestromin/Ethinyl Estradiol/Transdermal Patches (Ortho-Evra®)	
Deferasirox (Exjade®)	
Recipients 2 years of age and less	
Recipients 2-9 years of age	
Recipients 10 years of age and older	
Diabetic Testing Supplies	
Fertility Agents	
Granulocyte Colony Stimulating Factor Agents (Granix®/Leukine®/Neulasta®/Neupogen®)	
Hepatitis C Virus Direct-Acting (DAA) Antiviral Agents	
Hydroxyprogesterone Caproate (Makena®)	
Isotretinoin	
Ivacaftor (Kalydeco®)	
Ketorolac	
Linezolid (Zyvox®)	
Mosquito Repellents	
Quantity Limits	
Age Restriction	
Nicotine Transdermal Patches, Gum and Spray	
Omalizumab (Xolair®)	
Orlistat	
Palivizumab (Synagis®)	
Respiratory Syncytial Virus Season	
Age Restriction	
Early Refill	
Maximum Number of Doses Allowed	
Medical Reconsideration for Palivizumab (Synagis®)	
Palivizumab Criteria ICD-10_CM Code and Medication List	
Neuromuscular Disorders	

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES**SECTION: TABLE OF CONTENTS****PAGE(S) 11**

Congenital Abnormalities of the Airways	
Chronic Lung Disease	
Congenital Heart Diseases (CHD)	
Schedule II Narcotic Agents	
Fentanyl Buccal, Nasal, and Sublingual Agents	
Diagnosis Code Requirement	
Age Restriction	
Methadone	
Morphine ER (Avinza®)	
Oxycodone/Acetaminophen 7.5/325mg (Xartemis XR®)	
Paliperidone (Invega Trinza®)	
Roflumilast (Daliresp®)	
Short Acting Beta ₂ Agonist Inhalers	
Diagnosis Code Requirement	
Quantity Limit	
Therapeutic Duplication	
Sildenafil (Revatio®) and Tadalafil (Adcirca®)	
Sodium Glucose Co-Transporter 2 (SGLT2) Inhibitors and Combination Products	
Sodium Oxybate (Xyrem®)	
Clinical Pre-authorization	
Therapeutic Duplication	
Somatropin	
Suvorexant (Belsomra®)	
Tazarotene (Tazorac®)	
Tedizolid Phosphate (Sivextro®)	
Expansion of Diagnosis Code Requirement for Selected Specialty Medications	
Prospective Drug Utilization Policies/Limits/Edits	
Duration of Therapy Limits	
H ₂ Antagonists and Sucralfate	
Proton Pump Inhibitors (PPIs)	
Early Refill	
Duplicate Drug Therapy	
Pregnancy and FDA Category X Drugs	
Pregnancy and FDA Category D Drugs	
Therapeutic Duplication	
First Generation Antihistamine	
Second Generation Antihistamine	
First Generation Antihistamine-Decongestant	
Second Generation Antihistamine-Decongestant	

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES**SECTION: TABLE OF CONTENTS****PAGE(S) 11**

Angiotensin Converting Enzyme (ACE) Inhibitors and ACE Inhibitor/Diuretic Combinations	
ACE Inhibitors/Calcium Channel Blocker Combinations	
Angiotensin Receptor Antagonists (ARB) and ARB/Diuretic Combinations	
AR/Calcium Channel Blocker Combinations	
Beta-Adrenergic Blocking Agents and Beta-Adrenergic Blocking Agent/Diuretic Combinations	
Calcium Channel Blockers	
Calcium Channel Blocker/Antihyperlipemia Agent Combination	
Potassium Replacement	
Tricyclic Antidepressants	
Selective Serotonin Reuptake Inhibitors	
Antipsychotic Agents (Typical and Atypical)	
Antipsychotic/Selective Serotonin Reuptake Inhibitor Combinations	
Anti-Anxiety Agents	
Sedative Hypnotic Agents	
Attention Deficit Disorder (ADD) Agents	
Non-Steroidal Anti-Inflammatory Agents	
Short Acting Beta ₂ Agonist Inhalers	
Short Acting Opiate Agents	
Long Acting Opiate Agents	
Proton Pump Inhibitors	
Drug/Drug Interaction	
Unnecessary Drug Therapy	
Selective Cox-2 Inhibitor	
Maximum Dosage	
Atypical Antipsychotic Agents	
Agents Containing Acetaminophen or Aspirin	
Sedative Hypnotic Agents	
Tapentadol (Nucynta®)	
Agents containing Tramadol	
Botulinum Toxins OnabotulinumtoxinA (Botox®) and IncobotulinumtoxinA (Xeomin®)	
Hydrocodone Containing Agents	
Lidocaine Patches (Lidoderm®)	
Schedule II Narcotic Agents	
Serotonin Agents (Triptans)	
Quantity Limitations	
Maximum Allowable Quantities	

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES

SECTION: TABLE OF CONTENTS**PAGE(S) 11**

Maintenance Medication Quantities	
Coverage and Limitations for Long Term Care Facility Recipients	
Quantities for Long Term Care Facility Recipients	
Co-payment Exemption	
Over-the-Counter Drugs	
Over-the-Counter Drugs for Preventive Care	
Diabetic Supplies	
Nebulizer Medications	
Medicare Skilled Nursing Facilities	
Emergency Kits	
Outpatient Drugs Covered by Medicare Part B	
Drug Services for Hospice Recipients	

REIMBURSEMENT FOR PHARMACY SERVICES**37.6**

Reimbursement Methodology	
National Drug Code (NDC) System	
Maximum Allowable Overhead Cost (Dispensing Fee)	
Provider Fee	
Usual and Customary Charges	
Drug Estimated Acquisition Cost	
Multiple Source Drugs	
Federal Upper Limit (FUL) Regulations	
Louisiana State Maximum Allowable Cost (LMAC) Regulations	
Override of FUL and MAC	
Co-payments for Prescription Services	
Co-payment Schedule	
Co-payment Exemptions	
Other Co-payment Policies	
Medicare Crossover Claims	
Third Party Liability Claims	

MEDICARE PRESCRIPTION DRUG COVERAGE**37.7**

Medicare	
Medicare Part B Crossover Claims	
General Medicare Part B Crossover Reimbursement Policies	
Medicare Part B Outpatient Drug Coverage	
Immunosuppressive Drugs	

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES

SECTION: TABLE OF CONTENTS**PAGE(S) 11**

Oral Cancer Chemotherapy Drugs
Antiemetic Drugs
Nebulizer Drugs
Diabetic Supplies
Dispensing/Supply Fees
Antihemophilia Drugs
Medicare Part D Outpatient Drug Coverage

THIRD PARTY LIABILITY/COORDINATION OF BENEFITS 37.8

Third Party Liability
Coordination of Benefits
Pharmacy Providers' Roles
Coordination of Benefits Exemptions
Exemptions to Medicaid Program Restrictions
Claims for Recipients with Multiple Insurance Coverage
Override Capabilities and Codes

CLAIM SUBMISSION 37.9

National Drug Code (NDC)
Drug Quantities and Units of Measurement
Prescriber Numbers
Diagnosis Codes
Overrides
 Federal Upper Limits/Louisiana Maximum Allowable Cost Limitations
 Prescriptions Limit
 Early Refills
 Ingredient Duplication
 Duration of Therapy
 Therapeutic Duplication
 Unnecessary Drug Therapy
 Drug/Drug Interaction
 Coordination of Benefits
 Pregnancy Co-payment
 Age and Gender Overrides
 Maximum Dosage
 Quantity Exceeds Program Maximum

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES

SECTION: TABLE OF CONTENTS**PAGE(S) 11**

Prior Authorization (PA) Emergency	
Hospital Discharge Prescriptions for Atypical Antipsychotic Agents	
Lock-In Emergency	
Types of Pharmacy Claims	
Point of Sale (POS) Claim Submission (<i>Reference Point of Sale User Guide, Appendix D in this Chapter</i>)	
Electronic Claim Submission (BATCH)	
Hard Copy Claim Submission	
Claim Adjustments	
Time Limit for Submission of Medicaid Claims	
Billing for Spend-Down Medically Needy Recipients	
CLAIMS PROCESSING/PAYMENTS	37.10
Claims Processing	
Claim Entry	
Claim Adjudication	
Disposition of Claim	
Processing Time Frames	
Point of Sale (POS) Claims	
Paper Claims	
Remittance Advice	
Help Desk	
PUBLIC HEALTH SERVICES 340B DRUG PRICING PROGRAM	37.11
Reimbursement Methodology	
Covered Entity	
Contract Pharmacies	
TOTAL PARENTERAL NUTRITION (TPN)	37.12
Provider Enrollment	
Program Coverage	
TPN Medical Necessity Criteria	
Documentation Requirements	
Exclusionary Criteria	
Intradialytic Parenteral Nutrition Therapy	
Equipment and Supplies	
Prior Authorization	

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES

SECTION: TABLE OF CONTENTS**PAGE(S) 11**

Prior Authorization Requirements	
Prior Authorization Requests	
Emergency Request	
Medicare Crossover Claims	
Third Party Liability	
Reimbursement Methodology	
Claim Submission	
Medicaid Claims	
Medicare Crossover Claims	
Third Party Liability Claims	
Adjustments/Voids	
RESERVED	37.13
MEDICATION ADMINISTRATION	37.14
Louisiana Board of Pharmacy	
Pharmacist Provider Number	
Influenza Vaccine Administration by Pharmacist	
RESERVED	37.15
PATIENT COUNSELING, DRUG UTILIZATION REVIEW (DUR)	37.16
Patient Counseling	
Prospective Drug Utilization Review (UniDUR)	
Retrospective Drug Utilization Review	
Drug Utilization Review Board	
LOCK-IN PROGRAM	37.17
Choosing a Lock-In Provider	
Lock-In Emergencies	
Referrals	
RESERVED	37.18

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES

SECTION: TABLE OF CONTENTS**PAGE(S) 11**

MEDICAID FRAUD AND ABUSE**37.19**

Providers should refer to Chapter 1 – General Information and Administration of the Medicaid Services Manual for additional information on Program Integrity and Fraud and Abuse.

Recipient Prescription Verification Letters
Surveillance Utilization Review Subsystem (SURS)
Appeals

PROVIDER AUDITS**37.20**

Audit Purpose
Audit Authority
Audit Overview and Process
Provider Responsibilities

MEDICAID DRUG REBATE PROGRAM**37.21**

Rebate Programs
Federally Mandated Drug Rebate Program
State Supplemental Drug Rebate Program

LOUISIANA MEDICAID WEBSITE**37.22**

Preferred Drug List
Clinical Drug Inquiries
Prescriber Numbers
Prior Approval Program
Recipient Eligibility
 Medicaid Eligibility Verification System (MEVS)
 Recipient Eligibility Verification System (REVS)
Point of Sale (POS) User Guide
Vendor Specifications Document for the POS System
Drug Appendices
Third Party Liability Carrier Code List
Provider Education and Communication

LIST OF DRUGS PAYABLE ON DRUG FILE**APPENDIX A**

CHAPTER 25: PHARMACY BENEFITS MANAGEMENT SERVICES

SECTION: TABLE OF CONTENTS

PAGE(S) 11

LIST OF DRUGS WITH AVERAGE ACQUISITION RATES	APPENDIX A-1
LIST OF DESI DRUGS BY NATIONAL DRUG CODE (NDC)	APPENDIX B
MEDICAID DRUG FEDERAL REBATE PARTICIPATION PHARMACEUTICAL COMPANIES	APPENDIX C
POINT OF SALE USER GUIDE	APPENDIX D
PRODUCTS WITH QUANTITY LIMITS	APPENDIX E-1
PRODUCTS WITH MAXIMUM DAILY DOSAGES	APPENDIX E-2
FORMS	APPENIDIX F
NCPDP UNIVERSAL CLAIM FORM AND INSTRUCTIONS	APPENDIX G
FORM 211 – DRUG ADJUSTMENT VOID	APPENDIX H
PA-01 FORM - TPN PRIOR AUTHORIZATION FORM	APPENDIX I
CLAIMS FILING	APPENDIX J
RESERVED	APPENDIX K
TABLE OF TAMPER RESISTANT PRESCRIPTION CRITERIA AND EXAMPLES	APPENDIX L
GLOSSARY AND ACRONYMS	APPENDIX M
FREQUENT CONTACTS	APPENDIX N