



PLAN POLICY AND PROCEDURE	
 <p>Title: SHP Pharmacy Management Procedure for Negative Formulary Changes and Member Grandfathering</p>	<p>Product Line (check all that apply):</p> <p><input checked="" type="checkbox"/> All</p> <p><input type="checkbox"/> Group HMO</p> <p><input type="checkbox"/> Individual HMO</p> <p><input type="checkbox"/> PPO</p> <p><input type="checkbox"/> POS</p> <p><input type="checkbox"/> N/A</p>
<p>Division(s): Health Services</p>	
<p>Department(s): Pharmacy</p>	
<p>Owner (Title): Pharmacy Manager</p>	
<p>Relevant Regulatory/Accrediting Agencies/Citations (specify):</p> <p><input type="checkbox"/> CMS: _____</p> <p><input type="checkbox"/> DMHC: _____</p> <p><input checked="" type="checkbox"/> NCQA-HP: <u>UM 13.B</u></p> <p><input type="checkbox"/> NCQA-WHP: _____</p> <p><input type="checkbox"/> OTHER: _____</p>	
<p>Approved by: (Signature of VP, Compliance Officer, or CEO)</p> 	<p>Approval date:</p> <p style="text-align: center;">3/9/2016</p>

I. PURPOSE:

This Policy and Procedure documents the process for grandfathering member medication use when the Plan makes negative changes in the coverage status of Formulary and Non-Formulary drugs in the claims adjudication system, and changes to drug-specific criteria (adding or deleting prior authorization, quantity limits, step-therapy, etc.) Once completed all member specific changes are reflected in the member’s MedAccess profile under the Member Restrictions section.

II. PROCEDURE:

At the direction of the Sharp Health Plan P&T Committee the SHP pharmacy department will grandfather members for their utilization of medication affected by a negative formulary change, including the addition of utilization management edits such as prior authorization, quantity limits, step-therapy, etc. Members are eligible to be grandfathered if they have used the affected medication within 120 days prior to the implementation of the negative change.

III. DEFINITIONS:

- A. Benefits Coding Request (BCR): A document completed by the Plan Pharmacist or delegated personnel. The BCR lists all requested formulary and non-formulary drug changes.
- B. Drug Formulary: A listing of preferred prescription medications approved for use and/or coverage by the plan and dispensed through participating pharmacies.
- C. Grandfathering: The practice of creating a member specific override in the pharmacy claims system to allow a member to utilize a medication without adhering to UM criteria. The PBM refers to this as a Member Restriction.
- D. Member Restriction: An override entered into the member's profile in the MedAccess system. A member restriction can augment or limit a member's pharmacy benefits, based on the Plan's instructions to the PBM.
- E. Negative Change: A change in the Formulary that results in placing a drug on a higher copay tier, or a change in utilization management edits which results in the addition of utilization management edits to a medication or creating more restrictive utilization management edits for a drug which already has utilization management edits in place.
- F. Pharmacy Benefits Management Company (PBM): The PBM is the vendor that Sharp Health Plan contracts with to provide pharmacy claims adjudication. Correct claims adjudication at the point of sale is dependent upon the correct coding of the PBM's pharmacy claims system.
- G. Pharmacy and Therapeutics Committee: A Committee that meets quarterly to review and recommend medications for formulary consideration and utilization management edits to assure that the Formulary remains responsive to physician and member needs.
- H. Point of Sale (POS): The point of sale of the medication, which is the dispensing pharmacy.

IV. PROCEDURE:

- A. The Plan Pharmacist or delegate completes a BCR requesting a change to the formulary status or Utilization Management edits for a medication. For negative formulary changes, grandfathering of affected members is requested on the BCR form. For negative formulary changes associated with a P&T Committee vote, running affected member reports for grandfathering is part of the P&T coding process. The BCR form is submitted to the PBM Benefits Coding Department via e-mail. Secure e-mail is used if any member-specific information is included in the e-mail.
- B. The PBM acknowledges receipt of the BCR via e-mail and assigns a Task Number to the request.

- C. The PBM sends an e-mail to the Plan Pharmacist with an assigned completion date for the Task Number.
- D. If clarification of the Task is required by the Benefits Coding Team, an e-mail outlining the clarification required is sent to the Plan Pharmacist via e-mail. Coding by the PBM is placed on hold until clarification is received.
- E. Once all clarification regarding the request is completed, the Plan Pharmacist or delegate runs an Affected Member report. This report identifies members affected by a negative formulary change and who are potentially eligible for a Member Restriction.
- F. The Plan Pharmacist or delegate reviews the report for accuracy. The Plan Pharmacist sends an approval via email to the PBM which identifies the members eligible for a member restriction.
- G. Member restrictions are coded by the PBM before the negative formulary changes are implemented.
- H. If test claims for formulary changes were requested, the test claims are sent to the Plan Pharmacist for review and approval. Once approved the changes are made “live” in the claims adjudication system.
- I. At the completion of each Task, the PBM sends an e-mail notifying the Plan Pharmacist that the Task has been completed.
- J. Benefit/Formulary changes moved to production (“live”) are immediately accessed by the POS claims adjudication system. Changes are generally viewable immediately on member web tools, such as the Sharp Health Plan member-specific Formulary look-up tool, but may take up to 24 hours to be visible.
- K. It is the Plan Pharmacist’s practice to document all assigned Task numbers, Assigned Completion Dates, and Completion Dates.
- L. After notification from the PBM that a Task has been completed any inaccuracies are questioned and follow-up takes place between the Plan Pharmacist and the Benefits Coding Team until a satisfactory resolution is achieved.

V. ATTACHMENTS: BCR template

VI. SUPPORTING DOCUMENTS: N/A

VII. REVISION HISTORY:

Date	Modification (Reviewed and/or Revised)
6/1/2013	Procedure Approved and Implemented.
1/26/2016	Formatted into Sharp Health Plan P&P Template.

3/9/2016	Approved by P&T Committee
----------	---------------------------



Form 2

Coverage Change Request

Email: BCR@MedImpact.com

TYPE OF CHANGE										
Benefit Restriction <input type="checkbox"/> Member Restriction <input type="checkbox"/> Formulary <input type="checkbox"/> Change (Please check only one) Commercial <input checked="" type="checkbox"/> Part D <input type="checkbox"/> (Please check all that apply) Note: For a Step Therapy change, use Form 3										
Requester:				Phone No.:			Fax No.:			
Plan Name: Sharp Health Plan				Email:			Date:			
Corporate office name:				HQ Code/s:			Part D FORM ID:			
Effective Date:										
TEST CLAIMS										
Client: Indicate here if you would like to receive sample test claims: Yes <input type="checkbox"/> No <input type="checkbox"/> (Please check only one) <i>Note: If test claims are requested, MedImpact will not initiate benefit change(s) until client sends confirmation that the test claims are approved.</i> Should this edit be override able with a Prior Authorization? Yes <input type="checkbox"/> No <input type="checkbox"/> (Please check only one)										
APPLICABILITY										
Does requested change affect entire Book of Business? Yes <input type="checkbox"/> No <input type="checkbox"/> <i>If no, indicate affected benefits below.</i>										
Benefits/Members:										
BENEFIT SERVICES REQUESTED (Provide a brief description below of the change requested, and the expected outcome.)										
Indicate here if quantity restrictions should be rolled up for mail order: Yes <input type="checkbox"/> No <input type="checkbox"/> If no, please give reason:										
MEDICATION/S AFFECTED (Indicate the drugs affected by the above change.)										
Medication / Part D Proxy	Brand	Generic	Federal Legend	OTC	All Strengths	Specific Strengths	All Forms	Specific Forms	Drug Coverage	Formulary Change
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		---	---
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		---	---
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		---	---
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		---	---
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		---	---
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		---	---
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		---	---
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		---	---

Formulary Change Request Notes for Part D

1. Special coding is coding that cannot be accommodated in the template.
2. Temporary coding is coding that must go into effect until the coding can be completed in the template and loaded into the system. This coding must match the wording to be placed on the Part D Custom Formulary Template. Term date for Temporary coding will be two Mondays following week the FCR is submitted.



Form 2

Coverage Change Request

Email: BCR@MedImpact.com

- 3. It is the clients' responsibility to ensure compliance with Explanation of Benefits and Negative Change Notification with CMS guidance when setting effective dates. Effective dates must reflect the approval date provided by CMS.

Acceptance Agreement: Client will review all reports, statement and invoices provided by MedImpact and shall notify MedImpact in writing of any errors or objections within thirty (30) days of the effective date of the benefit change. Specifically, this shall apply to all service requests, benefit change request forms and pharmacy operations requests, etc. Unless Client notifies MedImpact in writing of any errors or objections within the thirty (30) day period, all the information contained therein will be deemed accurate, complete and acceptable to Client and thereafter MedImpact shall have no liability related thereto. In any event if Client provides timely notification within the thirty (30) day period, liability is capped to that accrued during the initial thirty (30) day period

My signature below affirms that I have authority to authorize MedImpact, and I do authorize MedImpact to perform, implement or change the services or products described herein. I acknowledge that I have reviewed the information contained herein and I clearly understand all items to which I am agreeing.

<p style="text-align: center; margin: 0;"><i>Signature of Authorized Plan Representative Required</i></p>	<p>Date: _____</p>