

**Policy Name:** Part D Transition Policy (PTHP)

**Version Number:** 2

**Document Owner:** (Medicare Part D Coordinator, PTHP Pharmacy Department)

**Scope:** Pharmacy Department (PTHP), Utilization Management (Clinical Management)

**Policy/Purpose:** Provide a written description of how, for enrollees whose current drug therapies may not be included in their new Part D plan's formulary, it will effectuate a meaningful transition supply.

**Reference Policies:** UM Transition Policy (PTHP), PA/Exception (Pharmacy), PA/Exception (UM), Appeal Policy

**Regulatory Reference(s):** CMS – 42 CFR §423.120(b) (3), NCQA: UM 13 & UM 15

**Record/Document Control:** Model Transition Letter: H3664H3620\_CY2010Transition

**Definitions:**

1. **CMS:** Center for Medicare and Medicaid Services
2. **LTC:** Long Term Care
3. **PTHP:** PrimeTime Health Plan
4. **PDM:** Pharmacy Data Management
5. **LIS:** Low-income subsidy

**Procedure:**

The PTHP Pharmacy Department and the Utilization Management Department will evaluate requests for transition supply of current drug therapies that may not be included in our Part D plan's formulary for the following:

1. New enrollees prescription drug plans at the beginning of a contract year
  2. Transition of newly eligible Medicare beneficiaries from other coverage at the beginning of a contract year
  3. Transition of individuals who change from one plan to another after the beginning of a contract year
  4. Enrollees residing in a LTC facilities
  5. Current enrollees affected by formulary changes from one contract year to the next, if appropriate
1. Transition supply will only apply to non-formulary drugs, meaning:
    - a. Part D drugs that are not on PTHP's formulary.
    - b. Part D drugs that are on PTHP's formulary but require prior authorization under our utilization management rules.

- c. CMS Non-covered or Part D Excluded medications **do not** qualify for Transition supply, Prior Authorization, or Exception.
2. PTHP provides an Open Formulary to its members.
  - a. Open Formulary allows a member to obtain a drug that is not on the formulary provided it is allowed by CMS. PTHP will provide coverage for all Part D allowable medications, but member may be subject to different co-pay or coinsurance levels.
  - b. Closed Formulary provides no benefit for drugs not listed on the formulary. A Plan who operates a closed formulary may choose to only cover the top three medications within a class of drugs and exclude the rest of the medications within that class, requiring the member to pay full cost of the medication.
  - c. PTHP operates an Open formulary; therefore, non-formulary medications are medications that CMS declared as excluded medications.
  - d. PTHP has a Prior Authorization (PA) and Exceptions process and would apply to the following situations:
    - i. Medications that require Prior Authorization for coverage by PTHP Part D to ensure medical necessity.
    - ii. Exception to cover higher tiered medication at a preferred brand tier and meet exception criteria.
3. PTHP can allow an override at point of sale of the PDM system for the immediate need of a member who qualifies for a transition, prevent coverage of non-Part D drugs, and promote safe utilization of a Part D drug.
  - a. A 30 day temporary retail fill (unless member presents a prescription written for less than 30 days) will be provided anytime during the first 90 days of a members enrollment in a plan, beginning on the member's effective date of coverage.
    - i. Medications will be subject to the approved co-payments / coinsurances approved by CMS, for all non-LIS eligible members.
    - ii. LIS eligible members' co-pays / coinsurance will never exceed the statutory maximum for LIS enrollees.
4. PTHP will ensure that in the Long-term care setting:
  - a. The transition policy provides for a 31 day fill (unless the member presents with a prescription written for less than 31 days) with multiple refills as necessary during the first 90 days of a member's enrollment in a plan up to a 93 day supply, beginning on the member's effective date of coverage;
  - b. The transition policy provides for a 31 day emergency supply of non-formulary Part D drugs (unless the enrollee presents with a prescription written for less than 31 days) while and exception or prior authorization is requested;
  - c. For enrollees being admitted to or discharged from a LTC facility, early refill edits are not used to limit appropriate and necessary access to their Part D benefit and such enrollees are allowed to access a refill upon admission or discharge
5. PTHP ensures the transition policy provides refills for transition prescriptions dispensed for less than the written amount due to quantity limits for safety purposes or drug utilization edits that are based on approved product labeling.
6. PTHP will ensure that it will apply all transition processes to brand-new prescription for a non-formulary drug if it cannot make the distinction between a brand-new prescription

for a non-formulary drug and an ongoing prescription for a non-formulary drug at the point-of-sale.

7. PTHP will send written notice via U.S. first class mail to enrollee within three business days of a temporary fill. The notice will include:
  - a. An explanation of the temporary nature of the transition supply an enrollee has received;
  - b. Instructions for working with the PTHP and the enrollee's prescriber to identify appropriate therapeutic alternatives that are on the plan's formulary;
  - c. An explanation of the enrollee's right to request a formulary exception;
  - d. A description of the procedures for requesting a formulary exceptions
  - e. Prior authorization, exception request forms, and PTHP Transition Policy are available upon request and on the website.
8. PTHP will make arrangements to continue to provide necessary Part D drugs to enrollees via an extension of the transition period, on a case-by-case basis, to the extent that their exception requests or appeals have not been processed by the end of the minimum transition period and until such time as a transition has been made (either through a switch to an appropriate formulary drug or a decision on an exception request).
9. For current enrollees whose drugs are no longer on PTHP's formulary, PTHP will effectuate a meaningful transition by either:
  - a. Providing a transition process consistent with the transition process required for new enrollees beginning in the new contract year;
  - b. Effectuating a transition prior to the beginning of the new contract year.
10. PTHP will extend its transition policy across contract years should a beneficiary enroll in a plan with an effective enrollment date of either November 1 or December 1 and need access to a transition supply.
11. PTHP will continue to comply with all HIPAA standards and will promptly implement new standards as they come available to the best of its abilities.