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## 11. PHARMACY

### A. Pharmacy Benefits and Services

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#### **APPLIES TO:**

A. This policy applies to all IEHP Medi-Cal Members.

#### **POLICY:**

A. ~~Effective January 1, 2022, the~~ Department of Health Care Services' (DHCS) contracted Pharmacy Benefit Manager (PBM), ~~will~~ provide administrative services and supports relative to the Medi-Cal pharmacy benefit (Medi-Cal Rx). Administrative services include claims management, prior authorization and utilization management, pharmacy drug rebate administration, Provider and Member support services, and other ancillary and reporting services to support the administration of Medi-Cal Rx.<sup>1</sup>

#### **PURPOSE:**

A. To support DHCS' effort to ensure the standardization of the Medi-Cal Rx benefit statewide, under one delivery system and improving access to pharmacy services.

#### **PROCEDURES:**

##### **Pharmacy Benefit**

A. Medi-Cal Rx ~~will~~ does not change the following:<sup>2</sup>

1. The scope of existing Medi-Cal pharmacy coverage;
2. Provision of pharmacy services that are billed on medical or institutional claims;
3. Existing Medi-Cal managed care pharmacy carve-outs (e.g., blood factor, HIV/AIDS drugs, antipsychotics, or drugs used to treat substance use disorder); and
4. Any pharmacy services that are billed as a medical and/or institutional claim instead of a pharmacy claim.

B. Medi-Cal Rx ~~will be~~ is responsible for the following benefits, when billed by a pharmacy on a pharmacy claim:<sup>3</sup>

1. Covered outpatient drugs, including physician administered drugs;
2. Medical supplies;
3. Enteral nutritional products; and
4. Prescription drugs related to major organ transplant, unless a Member has other primary

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<sup>1</sup> Department of Health Care Services (DHCS) All Plan Letter (APL) 20-020, "Governor's Executive Order N-01-19, Regarding Transitioning Medi-Cal Pharmacy Benefits from Managed Care to Medi-Cal Rx"

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

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health insurance or Medicare.<sup>4</sup>

### IEHP and IPA Responsibilities

~~A. IEHP and IPAs remains~~ responsible for the processing and payment of all pharmacy services billed on medical and institutional claims.<sup>5</sup> This includes the cost of facility-administrated drugs, depending on the case history, for major organ transplants, as well as Physician Administered Drugs (PADs).<sup>6</sup> Financial and prior authorization responsibilities between IEHP and IPAs for Physician Administered Drugs (PADs) are outlined in the Division of Financial Responsibility (DOFR). Please refer to the DOFR for details.

~~— The table the IEHP and IPA financial and prior authorization between IEHP and IPAs and procedures either IPA or () according to the latest version of Division of Financial Responsibility (DOFR).~~

~~A. While below table is provided as a reference, should there be any discrepancies the latest Medi-Cal DOFR shall override the below table.~~

B. IEHP ~~will~~ ensures the identification of the appropriate health plan and IPA staff as Designated Users, which include but are not limited to pharmacy staff, care management and behavioral health staff. Designated Users will have access to the Medi-Cal Rx secure Pharmacy portal and IEHP's Medi-Cal Rx Clinical Liaison.<sup>7</sup>

C. IEHP ~~will~~ ensures Providers are informed of how to obtain access to the Medi-Cal Rx User Administration Console (UAC). The UAC ~~will~~ allows access to prior authorization request system, chat and messaging features, beneficiary drug look-up tool, and claim submissions.

D. IEHP and its IPAs remain responsible for activities including but not limited to the following:

1. Overseeing and maintaining all activities necessary for Medi-Cal Member care coordination, continuity of care, and related activities; and
2. Providing oversight and management of all the clinical aspects of pharmacy adherence, including providing medication therapy management, medication reconciliation, and comprehensive medication management activities.

Please see Section 12, “Coordination of Care” and Policy 25C1, “Care Management – Delegation and Monitoring” for more information.

### Provider Responsibilities and Resources

A. Primary Care Providers (PCPs) are responsible for supervising, coordinating, and providing initial and primary care to patients; for initiating referrals; and for maintaining continuity of

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<sup>4</sup> DHCS APL 21-0156, ~~“California Advancing and Innovating Medi-Cal Incentive Payment Program Benefit Standardization and Mandatory Managed Care Enrollment Provisions of the CalAIM Initiative,” Attachment 2, “Major Organ Transplants (MOT) Requirements”~~

<sup>5</sup> DHCS APL 20-020

<sup>6</sup> DHCS APL 21-0156

<sup>7</sup> DHCS APL 20-020

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care.<sup>8</sup> Please see Policy 12A1, “Care Management Requirements – PCP Role” for more information.

B. Providers may claim reimbursement for Physician Administered Drugs (PADs) or drugs administered by clinical staff in a physician’s office, outpatient facility, or hospital outpatient facility as follows:<sup>9</sup>

1. If billing on medical or institutional claim form such as CMS-1500, submit to IEHP per Policy 20A, “Claims Processing;” or

2. If billing on pharmacy claim form, submit to: ~~DHCS Medi-Cal Rx (address pending)~~

Medi-Cal Rx Customer Service Center

ATTN: Provider Paper Claims

P.O. Box 610

2. Rancho Cordova, CA 95741-0610

All ancillary codes including, but not limited to, Per Diem S-Codes or nursing codes associated with administration of the drug, are billed on a CMS-1500 form, and are therefore, IEHP’s responsibility unless otherwise specified in the contract between IEHP and the Provider.

C. ~~Effective January 1, 2022,~~ DHCS’ Medi-Cal Rx ~~will~~ processes and resolves Provider prior authorization and claim payment appeals. Providers that need to file a prior authorization or claim appeal will complete the Medi-Cal Rx Provider Appeal form and submit the completed form to:<sup>10</sup>

Medi-Cal CSC, Provider Claims Appeals Unit

P.O. Box 610

Rancho Cordova, CA 95741-0610

For more information about the Medi-Cal Rx Provider appeal process, including to access the Medi-Cal Rx Provider Appeal form, please visit the Medi-Cal Rx website: <https://medi-calrx.dhcs.ca.gov/home/>

D. Please see Section 16, “Grievance and Appeals Resolution System” for information on the Member grievance and appeal process.

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<sup>8</sup> Ibid.

<sup>9</sup> ~~DHCS APL 20-020~~Ibid.

<sup>10</sup> ~~DHCS APL 20-020~~Ibid.

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### A. Pharmacy Benefits and Services

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| INLAND EMPIRE HEALTH PLAN                       |                                 |                                 |
|---|---------------------------------|---------------------------------|
| <b>Chief Approval:</b> <i>Signature on File</i> | <b>Original Effective Date:</b> | January 1, 2022                 |
| <b>Chief Title:</b> Chief Medical Officer       | <b>Revision Date:</b>           | <a href="#">January 1, 2023</a> |

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## 11. PHARMACY

### B. Member Request for Pharmacy Reimbursement

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#### **APPLIES TO:**

A. This policy applies to all IEHP Medi-Cal Members.

#### **POLICY:**

A. IEHP Members may submit Pharmacy Reimbursement Requests for consideration of reimbursement for drugs or services covered by IEHP for which the Member believes they were incorrectly charged. [Please refer to policy MC 11A for an overview of the types of drugs covered by the Plan.](#)

#### **PROCEDURES:**

A. Members must provide the following two (2) items:

1. Proof of purchase: a copy of the cash register receipt or a credit card or bank statement; and
2. Copy of the pharmacy receipt printout. A screenshot of the complete prescription label is acceptable.
  - a. The Pharmacy receipt printout must contain the Member name, Pharmacy name, Pharmacy address, Pharmacy phone, medication name, strength and form, the national drug code (NDC), date of service, Prescriber's full name, quantity, and the total amount paid.

B. The request must be submitted within one (1) year from the date of service.

C. Reimbursement requests will be evaluated based on the medical necessity and the justification of the request. IEHP will notify Members of the decision and make payment, when appropriate, no later than thirty (30) calendar days after receiving all the requested documentation for reimbursement.

D. If the Member Reimbursement Request and all documentation were received timely and the request is eventually denied, the Member will receive the denial notification by mail. If the request is denied for lack of documentation or exceeds one (1) year from date of service, the Member will receive the denial notification by phone.

E. If a Member has shown a pattern of bypassing IEHP's Pharmacy Prior Authorization Request process, IEHP may notify the Member of the denial of all future reimbursement requests.

E. ~~Out of the country or cruise ship prescriptions (even if docked in a US port) are not a covered benefit and requests for reimbursement will be denied.~~

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| INLAND EMPIRE HEALTH PLAN                       |                                 |                                    |
|---|---------------------------------|------------------------------------|
| <b>Chief Approval:</b> <i>Signature on file</i> | <b>Original Effective Date:</b> | January 1, 2012                    |
| <b>Chief Title:</b> Chief Medical Officer       | <b>Revision Date:</b>           | January 1,<br><del>2022</del> 2023 |

~~F.A. Out of the country or cruise ship prescriptions (even if docked in a US port) are not a covered benefit and requests for reimbursement will be denied.~~

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