

## **Part 214: Pharmacy Services**

### **Part 214 Chapter 1: General Pharmacy**

#### *Rule 1.3: Drugs Subject to Exclusion or Otherwise Restricted*

- A. Medicaid does not cover pharmacy benefits for full benefit, dual eligible individuals who are entitled to receive Medicare benefits under Part A, B, or C, except for drugs in the Medicare excluded categories.
- B. Excluded or otherwise restricted drugs include, but are not limited to:
1. Drugs when used for anorexia, weight loss, or weight gain,
  2. Drugs when used to promote fertility,
  3. Drugs when used for cosmetic purposes or hair growth,
  4. Over-the-counter (OTC) items listed on Medicaid's OTC formulary. OTC items are covered only if they are assigned an appropriate National Drug Code (NDC) on their label and are manufactured by a company that has signed a rebate agreement.
  5. Drugs when used for the symptomatic relief of cough and colds,
  6. Prescription vitamins and mineral products except for:
    - a) Prenatal vitamins,
    - b) Folic acid, and
    - c) Cyanocobalamin (vitamin B<sub>12</sub>) injections.
  7. Covered outpatient drugs which the manufacturer requires, as condition of sale, that associated tests or monitoring services be purchased exclusively from the manufacturer or its designee,
  8. Those drugs designated less than effective by the Federal Drug Administration (FDA) as a result of the Drug Efficacy Study Implementation (DESI) program unless provided through expanded EPSDT services in Part 223, Chapter 1, Rule 1.7.
  9. Benzodiazepines,
  10. Barbiturates,
  11. Drugs used to treat erectile dysfunction,
  12. Drugs that are investigational or approved drugs used for investigational purposes,

13. Drugs used for off-label indications which are not found in official compendia or generally accepted in peer reviewed literature,
14. Drugs dispensed after the expiration date,
15. Drugs classified as herbal and/or homeopathic products,
16. Cost of shipping or delivering drugs,
17. Drugs produced by manufacturers that do not have signed rebate agreements with the federal government as required by OBRA'90 unless provided through expanded EPSDT services in Part 223, Chapter 1, Rule 7.1, and
18. Compounded prescriptions except for hyperalimentation. Medicaid defines compounded prescriptions as mixtures of two or more ingredients.

Source: Miss. Code Ann. § 43-13-121; 42 CFR §§ 423.100, 423.772, 423.906(c); 42 U.S.C. §§ 1396r-8(a)(7)(c), 1396r-8(d); Social Security Act, §§ 1927(d)(2), 1935(d)(1)(2).

History: Revised B. 01/01/2013

*Rule 1.4: Prior Authorization*

- A. Medicaid requires prior authorization of certain covered drugs to ensure use as approved by the Food and Drug Administration (FDA) for specific medical conditions.
  1. Prior authorization of drugs must be obtained from the Division of Medicaid's Pharmacy Prior Authorization Unit or its designee before the drug may be dispensed.
  2. All prior authorization requests must be submitted by electronically via web-portal or by facsimile.
  3. Only the Mississippi Medicaid enrolled prescribing provider or a member of the provider's staff may request prior authorization.
  4. Prior authorization requests submitted by agents of drug manufacturers will be denied.
- B. The Division of Medicaid provides reimbursement for a seventy-two (72) hour emergency supply of a prescribed drug when a medication is needed without delay and prior authorization is not available and applies to all drugs requiring a prior authorization (PA), either because they are:
  1. Non-preferred drugs listed in the Preferred Drug List, or
  2. A drug affected by clinical or PA edits which would need prescriber prior approval.

Source: Miss. Code Ann. §§ 43-13-117(A)(9), 43-13-121, 73-21-129; 42 USC § 1396r-8(d)(5).

History: Revised A.1-B.2 07/01/2013

*Rule 1.6: Prescription Requirements*

- A. Pharmacists in the legal employ of the pharmacy provider or under the personal direction of a pharmacist employed by the pharmacy provider must submit claims for services rendered. Prescriptions must be dispensed at the provider's actual physical location of the pharmacy.
- B. For purposes of this rule, the Division of Medicaid defines a prescribing provider as an enrolled Mississippi Medicaid provider duly licensed and acting within the scope of practice of his/her profession according to State law.
- C. All non-electronic prescriptions must be written on tamper-resistant pads/paper in order to be eligible for reimbursement by Medicaid.
  - 1. The tamper-resistant prescription pads/paper requirement applies to all Medicaid prescribing providers including physicians, dentists, optometrists, nurse practitioners and other providers who prescribe outpatient drugs including over-the-counter drugs.
  - 2. Exemptions to this mandate include:
    - a) Prescriptions presented by other modes of transmission including facsimile, electronic or e-prescribed, and telephone,
    - b) Written orders prepared in an institutional setting, including intermediate care facilities and nursing facilities, provided that the beneficiary never has the opportunity to handle the written order and the order is given by licensed staff directly to the dispensing pharmacy, or
    - c) Transfer of a prescription between two (2) pharmacies, provided that the receiving pharmacy is able to confirm by facsimile or telephone call the authenticity of the tamper-resistant prescription with the original pharmacy.
  - 3. Pharmacy providers must return all funds to the Division of Medicaid for any dispensed prescription which is written hard copy on a non-tamper-resistant pad/paper.
- D. The pharmacy provider must ensure the integrity of telephone, electronic and/or faxed prescriptions.
- E. All Medicaid beneficiaries are limited to five (5) prescriptions per month, including refills, with no more than two (2) brand name (single source or innovator multiple source drug is less expensive than the generic equivalent) drugs per month for each non-institutionalized Medicaid beneficiary. The Medicaid agency provides coverage to all Medicaid beneficiaries including full benefit dual eligible beneficiaries. See Rule 1.9 for medically necessary services for EPSDT eligible beneficiaries.
- F. Medicaid requires that all drugs be prescribed in a full month's supply which may not exceed

a thirty one (31) day supply. The following exceptions are allowed:

1. Drugs in therapeutic classes commonly prescribed for less than a month's supply including, but not limited to, antibiotics and analgesics,
  2. Drugs that, in the prescribing provider's professional judgment, are not clinically appropriate for the beneficiary to be dispensed in a month's supply,
  3. Drug products where the only available package size of the product is one that exceeds the thirty one (31) day supply limit,
  4. Certain drugs issued by the Mississippi Department of Health (MSDH) and approved by Medicaid, including, but not limited to:
    - a) Contraceptives which may be dispensed in a one (1) year supply.
    - b) Tuberculosis (TB) medications which may be dispensed in a three (3) month supply.
  5. Six (6) vials, sixty (60) ml each, of insulin may be dispensed at one time,
  6. Oral contraceptives may be dispensed in three (3) month supplies,
  7. Prenatal vitamins may be dispensed in three (3) month supplies,
  8. Those products with cumulative maximum daily and/or monthly units as recommended by the Food and Drug Administration (FDA) and the manufacturer, and/or as recommended by the Drug Utilization Board and approved by Medicaid,
  9. Those products limited by authority of Medicaid with the potential for misuse, abuse, or diversion for the public safety, well-being and/or health, or
  10. A limited listing of maintenance medications, approved by Medicaid, which may be dispensed in no more than a ninety (90) day supply.
- G. In emergency situations, Medicaid will reimburse for a seventy two (72) hour supply of drugs that require prior authorization. Refer to Rule 1.4.B.
- H. Pharmacy claims must be billed using the National Drug Code (NDC) number of the product dispensed. Pharmacy providers must bill the eleven (11) digit NDC for the drug and package size actually dispensed. This requirement is for all products, regardless of legend or over-the-counter (OTC) status.
- I. Pharmacy prescription claims must be billed with the National Provider Identification (NPI) number for the individual prescriber.
1. The NPI number on a pharmacy prescription claim must be for the prescribing provider and not for an entity.

2. The pharmacy is responsible for maintaining current and accurate prescriber identification on file.
3. Access to provider identification information must be available to all pharmacy employees.
4. Non-compliance with Rule 1.6.I. may result in termination of POS privileges and/or recovery of false claims.

Source: Miss. Code Ann. §§ 43-13-121, 73-21-115; 42 USC §§ 1396b (i) (21) and (23), 1396b-8(a) and (d), 1903(i)(23); Social Security Act, Pub. L. No. 74-271, 49 Stat. 620; U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007, Pub. L. No. 110-28, 121 Stat. 112.

History: Revised C.3, G. and I. 07/01/2013; Revised E. 01/01/2013

*Rule 1.12: Beneficiary Signature*

- A. The pharmacy must obtain the signature of beneficiary or his/her representative signature and their relationship to the beneficiary for each prescription received with the exception of beneficiaries living in long-term care facilities, i.e. nursing facilities, ICF/MR facilities and/or psychiatric residential treatment facilities (PRTF).
  1. Electronic signatures are acceptable.
  2. One signature per prescription is required.
  3. The pharmacist may sign for a prescription if the beneficiary or his/her representative is not capable of signing. When signing the pharmacist must:
    - a. Document the circumstances preventing the beneficiary or his/her representative from signing for the prescription, and
    - b. Sign the prescription signature record with his/her own name and the beneficiary's name.
  4. For shipped or delivered prescriptions, the pharmacy must obtain the signature of the beneficiary or his/her representative and their relationship to the beneficiary..
    - a. The pharmacy must maintain signatures on-site and in an auditable manner.
    - b. The Division of Medicaid will not reimburse for medications lost in transit and/or not received by the beneficiary.
- B. Prescription signature records for received prescriptions must include the prescription serial number, date medication is received and the beneficiary or his/her representative's signature and their relationship to the beneficiary.

1. Prescription signature records must be retained for a period of five (5) years for audit purposes.
  2. Prescription signature records for shipped prescriptions must be retained for a period of five (5) years and must include the delivery confirmation for audit purposes.
  3. Prescription signature records must be maintained on-site and in an auditable manner.
- D. The beneficiary or provider cannot waive the receipt signature requirement nor does “signature on file” meet this obligation.

Source: Miss. Code Ann. § 43-12-121.

History: Rule 1.12 A.-E. added 07/01/13 to include 04/01/12 compilation omission.