

**Bulletin:** MSA 10-08

**Distribution:** Federally Qualified Health Centers (FQHC), Hospitals, Local Health Departments (LHD), Medicaid Health Plans (MHP), Mental Health/Substance Abuse, Pharmacies, Practitioners, Rural Health Clinics (RHC) and Tribal Health Centers (THC)

**Issued:** March 1, 2010

**Subject:** Medicaid Health Plan Pharmacy Carve-Out

**Effective:** April 1, 2010

**Programs Affected:** Medicaid

The purpose of this bulletin is to inform providers that the Therapeutic Drug Classes identified in Table 1 (commonly known as the MHP 60/40 carve-outs) will no longer be covered as part of the MHP benefit. These coverage changes are pursuant to direction from the Centers for Medicare and Medicaid Services (CMS). Effective for service dates on or after April 1, 2010, medications within these drug classes will be added to the existing MHP 100% carve-out and billed at point-of-sale (POS) directly to the Michigan Department of Community Health's (MDCH) contracted Pharmacy Benefit Manager (PBM). The carve-out drug lists are available on the PBM website at [www.michigan.fhsc.com](http://www.michigan.fhsc.com) >> Providers >> Drug Information.

In accordance with Medicaid Fee-for-Service (FFS) policy, beneficiaries age 21 and older currently have a \$1.00 co-pay for generic medications and a \$3.00 co-pay for brand name medications. MHPs are not required to charge Medicaid FFS co-pays and some MHPs have historically waived such co-pays. Beneficiaries age 21 and older will incur a \$1.00 or \$3.00 co-pay for the affected medications effective April 1, 2010. These medications will be subject to current FFS pharmacy policies and coverage limitations, including prior authorization requirements.

To facilitate a smooth transition for program beneficiaries, MDCH is partnering with MHPs and its PBM contractor (First Health Services Corporation) utilizing recent MHP prior authorizations and paid claims history of these medications to create system edits. The intent of these edits is to continue the beneficiary's medication coverage that was provided by their MHP and to minimize and/or eliminate prior authorization obstacles during the first six-months of the coverage transition (i.e., 4/1/2010 through 9/30/2010).

For a list of covered medications within the drug classes identified in Table 1 below, please refer to the Michigan Pharmaceutical Product List (MPPL) found on the PBM website at [www.michigan.fhsc.com](http://www.michigan.fhsc.com) >> Providers >> Drug Information.

Table 1 – List of Therapeutic Drug Classes to be Carved-Out 100% from the Medicaid Health Plans

Therapeutic Drug Class	Description
H2A	Central Nervous Systems stimulants
H2D	Barbiturates
H2E	Sedative-hypnotic, non-barbiturate
H2F	Anti-anxiety

Therapeutic Drug Class	Description
H2H	Monoamine Oxidase Inhibitors (MAOIs)
H2J	Antidepressants
H2K	Antidepressant combinations
H2M	Anti-mania
H2N	Antidepressants continued
H2P	Antianxiety continued
H2Q	Sedative-hypnotics, non-barbiturates, continued
H2S	Selective Serotonin Reuptake inhibitors (SSRIs)
H2U	Tricyclic antidepressant (TCA) & related Non-Selective Reuptake Inhibitors (NSRIs)
H2V	Treatment for Attention Deficit Hyperactivity Disorder (ADHD), Narcolepsy
H2W	TCA/phenothiazine combinations
H2X	TCA/benzodiazepine combinations
H2Y	TCA/non-phenothiazine combinations
H4B	Anticonvulsants
H4C	Anticonvulsants continued
H7A	TCA/phenothiazine/benzodiazepine combinations
H7B	Alpha-2 receptor antagonist antidepressants
H7C	Serotonin-Norepinephrine Reuptake Inhibitors (SNRIs)
H7D	Norepinephrine Dopamine Reuptake Inhibitors (NDRIs)
H7E	Serotonin Agonist and Reuptake Inhibitors (SARIs)
H7J	MAOIs- non-selective and irreversible
H7K	MAOIs selective and reversible
H7L	MAOIs non-selective and irreversible/phenothiazine combs
H7M	Antidepressant/carbamate anxiolytic combinations
H7Y	Treatment for ADHD, Norepinephrine Reuptake Inhibitor (NRI) type
H8B	Hypnotics, Melatonin Receptor Agonists
J5B	Adrenergic, aromatic, non-catecholamine amphetamine preps

**Manual Maintenance**

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

## Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

## APPROVED

A handwritten signature in black ink that reads "Stephen Fitton". The signature is written in a cursive style with a large initial 'S' and 'F'.

Stephen Fitton, Director  
Medical Services Administration