



Michigan Department of  
Health & Human Services  
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**MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**Medical Services Administration**  
**Pharmacy Management Division**

## Summary of Pharmacy Provider Liaison Meeting on September 20, 2018

### Healthy Michigan Plan Update

On June 22, 2018, Governor Rick Snyder signed Public Act 208 of 2018 to adjust the requirements for health care coverage under the state's Healthy Michigan Plan (HMP). As a result, MDHHS submitted a waiver to the federal Centers for Medicare & Medicaid Services (CMS) to amend certain elements of the HMP to comply with State law. Specifically, MDHHS seeks approval to amend the HMP waiver eligibility for health care coverage and cost-sharing requirements for certain beneficiaries who have had 48 months of cumulative eligibility for health care coverage through HMP. Additionally, MDHHS seeks to add workforce engagement requirements as a condition of HMP eligibility for certain able-bodied adults. Finally, MDHHS seeks to end the Marketplace Option benefit.

HMP beneficiaries who are over 100% of the Federal Poverty Level, are enrolled in a health plan and have been in HMP for a cumulative 48 months must be compliant with Healthy Behaviors and updated cost-sharing requirements to keep coverage. The proposed implementation date for these changes is July 1, 2019.

All HMP beneficiaries ages 19-62 who are not otherwise exempt must participate in an average of 80 hours per month of qualifying activities. A beneficiary is allowed three months of noncompliance within a 12-month reporting period. After three months of noncompliance, beneficiary eligibility will be suspended. Coverage is reinstated when a beneficiary comes into compliance. The proposed implementation date for the workforce engagement requirements is January 1, 2020.

HMP waiver documents are posted on the MDHHS website  
<http://www.michigan.gov/healthymichiganplan>. Submit comments to  
[healthymichiganplan@michigan.gov](mailto:healthymichiganplan@michigan.gov).

### Provider Bulletin MSA 18-35 - Copayment Exemption for Drugs to Treat Mental Health Conditions and Substance Use Disorders

Effective October 1, no copay will be charged to beneficiaries for drugs to treat mental health conditions and substance use disorders. The copay for these drugs will be covered by MDHHS. Field 505-F5 (Patient Pay Amount) will have a value of \$0.00. Drugs exempt from copays are identified on the Michigan Pharmaceutical Products List as "No" under the "Copay" column.

## Labeler Terminations

Certain labelers have confirmed that they do not plan to update their Medicaid National Drug Rebate Agreement to CMS. Based on notification from CMS as of 4 pm on September 20<sup>th</sup>, MDHHS will terminate coverage for products under the following labelers on October 1, 2018:

- Actavis Kadian
- Acton Pharmaceuticals
- Angelini Pharma
- Bedford Laboratories
- Belcher Pharmaceuticals
- Forest Laboratories
- Galena Biopharma
- Gloucester Pharmaceutical
- Merrimack Pharmaceuticals
- Mylan Bertek Pharmaceuticals
- New American Therapeutics
- New Haven Pharmaceuticals
- Octapharma A.B.
- Octapharma Pharmazeutikagm
- Ortho McNeil Pharmaceuticals
- Physician Therapeutics
- Tap Pharmaceuticals
- Victory Pharma
- Vistakon Pharmaceutical
- Warner Chilcott Pharmaceuticals

## Seven-Day Supply of Opioids for Acute Pain

- Pursuant to MCL 333.7333b, a prescriber shall not prescribe the patient more than a 7-day supply of an opioid within a 7-day period to treat acute pain.
- To enforce this requirement, MDHHS is limiting coverage of short-acting narcotic analgesics for Medicaid Fee-for-Service beneficiaries who are opioid treatment-naïve to a 7-day supply.
- Opioid treatment-naïve beneficiaries are identified as those who have not had a recent Medicaid Fee-for-Service claim for a narcotic drug within the past 180 days.
- Claims that exceed 7 days' supply are being denied with the supplemental message, "*Opioid naïve. More than 7 days' supply. Call 877-864-9014 for chronic use consideration.*"
- Either the pharmacy or prescriber can call for authorization of the entire prescription by attesting it is for "chronic" pain

## Morphine Equivalent Daily Dose (MEDD) Limits

- Effective 9/21, to promote safe opioid prescribing practices, the MDHHS will begin applying a new safety edit targeting claims with high MEDD. This edit will require a clinical prior authorization.

- To minimize medication disruption, initial requests may be authorized for a 7 days' supply while the prescriber compiles and submits a new prior authorization request with clinical justification supporting the medical necessity of the high MEDD treatment plan and/or a taper plan.
- The MDHHS maximum allowed MEDD will continue to be lowered on a gradual and periodic basis until MEDD thresholds align with guidelines issued by the Centers for Disease Control and Prevention.
- As always, prescribers may submit prior authorization requests to exceed these limits.

#### Provider Enrollment Requirement

- Federal regulations require all providers who serve Michigan Medicaid beneficiaries to be screened and enrolled in the Michigan Medicaid program.
- Providers must enroll through the MDHHS Community Health Automated Medicaid Processing System (CHAMPS) – the state’s online Medicaid enrollment system.
- For dates of service on and after January 1, 2019, MDHHS will prohibit contracted Medicaid Health Plans from making payments to typical providers, including pharmacies, that are not actively enrolled in CHAMPS.
- For dates of service on and after July 1, 2019, MDHHS Fee-for-Service and Medicaid Health Plans will prohibit payment for prescription drug claims written by a prescriber who is not enrolled in CHAMPS.
- The following informational edits are being posted on claims:
  - NCPDP Code 889 – Prescriber not enrolled in State Medicaid Program
  - NCPDP Code 890 – Pharmacy not enrolled in State Medicaid Program
- In order to prevent future medication access issues, please ensure that your pharmacy is enrolled in CHAMPS, and encourage prescribers to enroll.
- Resources
  - [www.michigan.gov/MedicaidProviders](http://www.michigan.gov/MedicaidProviders) >> Provider Enrollment
  - MDHHS Provider Enrollment Help Desk: (800) 292-2550

#### Pharmacy Reimbursement from Medicaid Health Plans

- Discussed issue with Medicaid Health Plans (MHP)
- Contracts with MHPs for Fiscal Year 2019 (effective October 1, 2018) include a provision preventing “spread pricing”
- MDHHS also clarified that MHPs must report the amount paid to the pharmacy in encounter claim data reports
- MDHHS is conducting a study to assess reimbursement levels from the MHPs using the data reports referenced above

#### Additional Resources

- Pharmacy Operations E-mail: [MDHHSPharmacyServices@michigan.gov](mailto:MDHHSPharmacyServices@michigan.gov)
- Website: <https://Michigan.fhsc.com>

**The next meeting will be December 13<sup>th</sup>.**