

# A L E R T

December 29, 2020

**TO: Pharmacies, Physicians, Physician Assistants, Nurse Practitioners, Oral Surgeons, Optometrists, Dentists, FQHCs, RHCs, Mental Health Service Providers and Nursing Homes**

**RE: Pharmacy Reimbursement/Preferred Drug List (PDL) Quarterly Update**

**Effective January 1, 2021, the Alabama Medicaid Agency will:**

- 1. Update the default criteria for pharmacy reimbursement when no average acquisition cost (AAC) is available:** When no AAC is available, Alabama Medicaid will reimburse brand drugs at the Wholesale Acquisition Cost (WAC) - 4%, and generic drugs at WAC + 0%, plus a professional dispensing fee of \$10.64. All other reimbursement criteria in the “lower of” methodology remain unchanged. Please see Rule No. 560-X-16-.06 “Reimbursement for Covered Drugs and Services” for the complete reimbursement rules at [https://medicaid.alabama.gov/content/9.0\\_Resources/9.2\\_Administrative\\_Code.aspx](https://medicaid.alabama.gov/content/9.0_Resources/9.2_Administrative_Code.aspx)
- 2. Require Prior Authorization (PA) for dextroamphetamine/amphetamine ER.** Brand Adderall XR will be added as preferred without PA.
- 3. Require Adderall XR to be billed with a Dispense as Written (DAW) Code of 9:** DAW Code of 9 indicates the following: Substitution Allowed by Prescriber but Plan Requests Brand. This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted, but the Plan requests the brand product to be dispensed.
- 4. Include preferred cyclosporine tablets and liquid in the mandatory three-month supply program.** Prescriptions for three-month maintenance supply medications will not count toward the monthly prescription limit. A maintenance supply prescription will be required after 60 days stable therapy. Please see the website for a complete listing of maintenance supply medications.

**(continued next page)**

# A L E R T

**5. Update the PDL to reflect the quarterly updates.** The updates are listed below:

PDL Additions	
Adderall XR	ADHD
Adhansia XR	ADHD
Diazepam Rectal Gel	Anxiolytics, Sedatives, & Hypnotics-Misc.
Trulicity	Incretin Mimetics
PDL Deletions	
CitraNatal RX	Prenatal Vitamins
Dextroamphetamine/Amphetamine ER	ADHD

For additional PDL and coverage information, visit our drug look-up site at <https://www.medicaid.alabamaservices.org/ALPortal/NDC%20Look%20Up/tabId/39/Default.aspx>.

The Prior Authorization (PA) request form and criteria booklet should be utilized by the prescriber or the dispensing pharmacy when requesting a PA. The PA request form can be completed and submitted electronically on the Agency's website at [https://medicaid.alabama.gov/content/9.0\\_Resources/9.4\\_Forms\\_Library/9.4.13\\_Pharmacy\\_Forms.aspx](https://medicaid.alabama.gov/content/9.0_Resources/9.4_Forms_Library/9.4.13_Pharmacy_Forms.aspx).

Providers requesting PAs by mail or fax should send requests to:

**Health Information Designs (HID)**  
**Medicaid Pharmacy Administrative Services**  
**P. O. Box 3210 Auburn, AL 36832-3210**  
**Fax: 1-800-748-0116**  
**Phone: 1-800-748-0130**

Incomplete PA requests or those failing to meet Medicaid criteria will be denied. If the prescriber believes medical justification should be considered, the prescriber must document this on the form or submit a written letter of medical justification along with the PA form to HID. Additional information may be requested. Staff physicians will review this information.