

August 2012

[Provider Name]
[Provider Address Line 1]
[Provider Address Line 2]
[Provider City, State, ZIP]

Dear Medicaid Provider:

Starting in 2012, DOM's Preferred Drug List, or PDL, will undergo an annual review each autumn. The revisions brought about by this annual review will become effective the following January 1st **with the first such update occurring on January 1, 2013**. Throughout the year, there will be quarterly additions, or deletions. Changes outside of January 1st implementation annual review updates will generally be small. Providers are encouraged to monitor the DOM website frequently for advanced notice of these PDL updates.

Help Slow Rising Prescription Costs

In order to slow rising drug costs, DOM's Pharmacy Program works to help improve quality and manage costs. In state fiscal year (SFY), 2011, Pharmacy expenditures for Medicaid were over \$308.8M. Prescribers can help slow rising prescription costs in DOM's Pharmacy program by

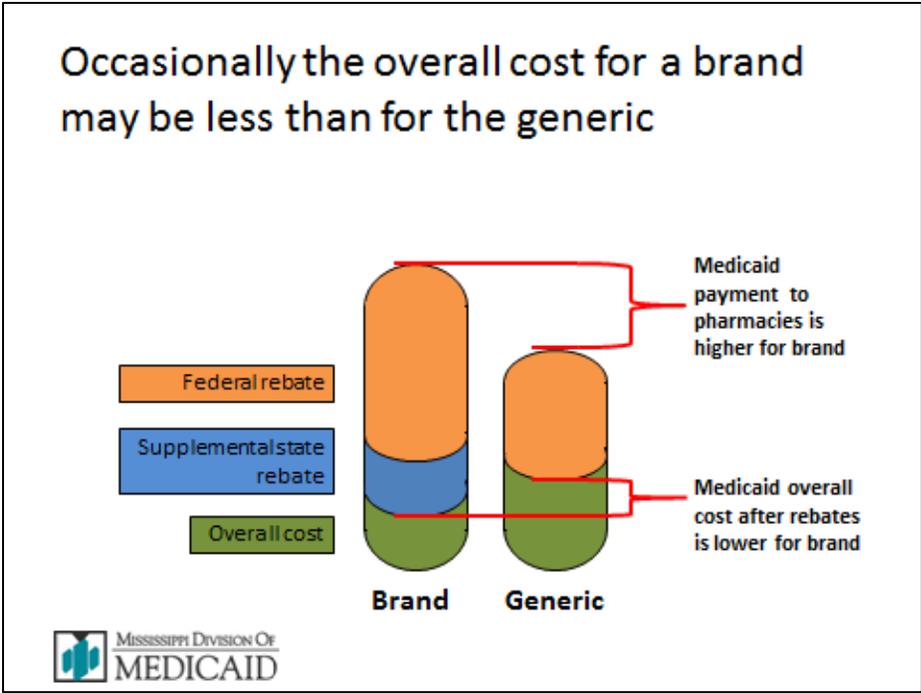
- (1) Prescribing drugs on the Preferred Drug List or PDL:** In SFY11, MS Medicaid collected over \$10.5M for supplemental rebates for branded drugs on the PDL. Over \$124M was collected for federal rebates for all brand and generic drugs, dispensed in the pharmacy venue as well as for physician administered drugs.

Every time a prescription is written for a non-preferred PDL drug, MS Medicaid loses money.

- (2) Being aware that sometimes generic drugs are more costly to Medicaid than their branded counterparts:** In the commercial arena, generic drugs are inexpensive in relationship to the costs of the branded counterparts. Due to federal and supplemental rebates, sometimes branded products are less expensive than the generic. For a comprehensive list of the PDL, refer to Pharmacy Services' web page at <http://www.medicaid.ms.gov/Pharmacy.aspx>. DOM encourages providers to check the PDL routinely to stay current with preferred and non-preferred drugs.

Every time a non-preferred drug is prescribed and/or dispensed, MS Medicaid loses money.

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Preferring some brands...

With disproportionately large brand rebates, net prices of certain brand drugs are significantly less than the generic

As a result, discerning state purchasers/ decision makers must monitor for these “opportunities” or they will inadvertently favor more expensive generics

Some examples where the brand name is preferred over the generic include **ARICEPT, AVAPRO, BENZACLIN GEL, GEODON, LIPITOR, LOVENOX, PLAIVIX, and SEROQUEL**. The following is an example of potential savings from selecting a brand name product when a generic is available.

Examples preferred brands where the generic costs more to Medicaid			
Preferred Brand	Non-preferred generic	Projected savings if all scrips are brand	
		Quarterly Savings	Annual Savings
Aricept	donepezil	\$873,891	\$3,495,564
Benzaclin Gel	clindamycin/benzoyl peroxide		
Lipitor	atorvastatin		
Seroquel	quetiapine		

That is nearly **\$3.5 million dollars in savings** for using the brand name over the generic just from the four drugs used in the example. **Please consider this before submitting PA requests for the generic product when the brand name is preferred.** Please see the preferred drug list on Mississippi Medicaid’s website at <http://www.medicaid.ms.gov/Pharmacy.aspx>. We hope you find this helpful in your practice.

Sincerely,

Kyle D. Null, PharmD, PhD
 Clinical Director, Mississippi Evidence-Based DUR Initiative (MS-DUR)
www.msduur.org



HOW TO DECREASE MS MEDICAID PHARMACY PRIOR AUTHORIZATION REQUESTS

Preferred Brands with a Generic

PDL List Effective 07-01-2012

Frequently Asked Questions / Tips

Drug Class	Branded Preferred Drug(s)	Generic non-Preferred Drug(s)
Acne meds: (limited to up to age 21 only)	BenzaClin gel; Retin-A Micro	benzoyl peroxide /clindamycin; tretinoin
Alzheimer's agents	Aricept	donepezil
Anti-convulsant	Diastat	Diazepam rectal gel
Anti-histamines	Xyzal solution	levocetirizine solution
Anti-psychotic agents	Geodon; Seroquel	ziprasidone; quetiapine
ARBS	Avapro/Avalide	irbesartan/ irbesartan hctz
Glaucoma Agents	Xalatan	latanoprost
Inhaled glucocorticoids	Pulmicort Respules	budesonide suspension
Leukotriene modifiers	Singulair	montelukast
Lipotropics	Lipitor	atorvastatin
LMWH	Lovenox	enoxaparin
BPH agents	Flomax	tamsulosin
Platelet Aggregation Inhibitors	Plavix	clopidogrel
PPI	Prevacid Solutab (<= 12 years only); Dexilant	See PDL for full listing

Why are we encouraged to write/dispense the brand when there is a generic available? Isn't the brand more expensive?

Due to federal and supplemental rebates, sometimes branded products are less expensive than the generic, particularly when the generic is new to the market. **Every time a prescription is written for a non-preferred PDL drug, MS Medicaid loses money.**

Can I get a PA for my patient for generic non-preferred drugs?

PAs will only be considered with a history of at least 30 days of therapy with two different preferred agents in the past 6 months

Prescriber Action to Prevent Calls for PA

Consider writing "Do Not Substitute" for branded products in the table

Pharmacy Action to Prevent Requesting PAs

Dispense the branded product

Lamictal XR Grandfathering:

Lamictal XR grandfathering will be honored for seizure patients only. For non-seizure indications (including, but not limited to migraine and bipolar disorder), the beneficiary must fail on generic product. Documentation of failure must accompany prior authorization requests. If an allergic reaction and/or adverse drug reaction occurs, please complete a [MedWatch form](#) and submit to FDA with a copy to the DOM.

Important Pharmacy Documents

- (1) Instructions for Web Portal PA submission and PA forms may be found at www.medicaid.ms.gov/PharmacyForms.aspx
- (2) Billing tips www.medicaid.ms.gov/PharmacyServicesBilling.aspx
- (3) Please refer to the [Pharmacy Services](#) webpage and the PDL often. Refer to the 90 maintenance list for drugs which can be billed in 90 day increments.*

*Federal law stipulates that Medicaid is the payer of last resort. Follow the process under billing tips for billing other insurance.

Additional copies of this document available at: www.msdu.org

Revised 8-30-2012