

December 19, 2016

Dear SoonerCare Provider,

Effective January 3, 2017, pharmacy claims will be reimbursed based on a new pricing methodology to reflect new federal regulations. This change will impact reimbursement rates for all pharmacy providers.

- Current methodology for community retail, long term care, and specialty pharmacies includes ingredient cost plus a dispensing fee; both are affected by this change. Currently, the agency utilizes published drug pricing benchmarks to determine the Estimated Acquisition Cost (EAC) for drug ingredient costs. Beginning 1-3-17, OHCA will use Actual Acquisition Cost (AAC) to price brand and generic drugs. The change will also require the agency to provide a professional dispensing fee of \$10.55 instead of the current dispensing fee of \$3.60. Generally, the AAC will be set using the lower of Wholesale Acquisition Cost (WAC), National Average Drug Acquisition Cost (NADAC), or State Maximum Allowable Cost (SMAC).

Requests for reimbursement review will be handled by Myers & Stauffer for all claims based on NADAC. SMAC review will continue to be handled by the Pharmacy Help Desk. The Pharmacy Help Desk can assist you with reimbursement issues by calling 1-800-522-0114, option 4.

- Indian Health Services/Tribal/Urban Indian Clinic pharmacies will be reimbursed at the federal OMB encounter rate. The OMB rate will be paid based on a **per member-per facility-per day payment**.

Effective January 1, 2017, Abilify® (aripiprazole) tablets will move to Tier-1 and no longer require prior authorization for members 5 years of age or older. A trial of aripiprazole tablets will be required for authorization of a Tier-2 medication unless the member has a patient-specific, clinically significant reason why aripiprazole is not appropriate or an FDA approved diagnosis not covered by aripiprazole. Tier-3 authorization requires an aripiprazole trial, and trials of all oral Tier-2 medications. Members currently stabilized on Tier-2 and Tier-3 medications will be grandfathered. Updated criteria will be available January 3, 2017 on the SoonerCare website at okhca.org/pa under "Central Nervous System/Behavioral Health."

Correction: Invokamet® XR (canagliflozin/metformin HCL extended-release) will not move to Tier-2 but instead will remain in the Special Prior Authorization Tier of the Diabetic Medications category.

Thank you for the services you provide to Oklahomans insured by SoonerCare!