



JEB BUSH, GOVERNOR

ALAN LEVINE, SECRETARY

June 10, 2005

## 2005 Legislative Changes Affecting Florida Medicaid

Dear Medicaid Provider:

Effective July 1, 2005, several changes to the Florida Medicaid Program will take effect. These changes will impact the Preferred Drug List (PDL) and move some Durable Medical Equipment (DME) items from the prescription drug program to the DME program.

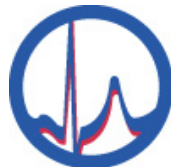
The Pharmacy & Therapeutics (P&T) Committee will meet June 29. Changes adopted at this meeting will become effective on or about July 10. Additional changes will follow subsequent P&T meetings until all therapeutic categories are reviewed with completion anticipated by October 1, 2005. We will appreciate your professional skills in assisting Medicaid patients and their prescribers with any necessary therapeutic alternatives during this period. The current Medicaid PDL is posted on the Medicaid website at:

[http://ahca.myflorida.com/Medicaid/Prescribed\\_Drug/](http://ahca.myflorida.com/Medicaid/Prescribed_Drug/). Updates to the PDL following each P&T meeting will be posted on this website.

July 1 changes to the PDL are based on direction from the Florida Legislature. The process for revising the PDL will include:

### Preferred Drug List (PDL)

- Products in each therapeutic class will be presented to the P&T committee with their relevant clinical efficacy and relative net cost positions.
- The P&T committee will recommend the most cost effective drugs in each therapeutic category for inclusion on the (PDL) which will be a minimum of two products where available and could represent three or more products in many categories.
- Products included on the PDL must be prescribed first unless the patient has previously used these products unsuccessfully or the prescriber submits documentation justifying the use of a non-PDL product.
- A step-therapy process using PDL-included drugs will then permit prior authorization (PA) for non-listed drugs.
- HIV/AIDS-related anti-retroviral products are included on the PDL by statutory exemption and, in general, do not require PA.
- Mental health drugs are not exempt from PDL requirements.
- Nursing home residents are not exempt from PDL requirements.
- There is no limit on the number of brand-name drugs if they are on the PDL.



- Medicaid will continue the policy of expanding the use of available over-the-counter-drugs (OTC) where these are more cost effective.

**Durable Medical Equipment (DME)** – HIPAA regulations prohibit billing for Durable Medical Equipment and Supplies using the pharmacy claim format, requiring that these be billed using the “X12 837” transaction (1500 claim form). Products affected by this change and the effective dates are listed below.

- |                                 |                |
|---------------------------------|----------------|
| • Blood Glucose Strips          | August 1, 2005 |
| • Blood Glucose Monitors        | August 1, 2005 |
| • Insulin Syringes              | August 1, 2005 |
| • Hepatitis Lock Flush Syringes | July 1, 2005   |
| • Normal Saline Flush Syringes  | July 1, 2005   |
| • Nutritional Supplements       | July 1, 2005   |
| • Peak Flow Meters              | July 1, 2005   |
| • Spacers                       | July 1, 2005   |
| • Urine Ketone Test Strips      | July 1, 2005   |

All pharmacies are assigned a DME provider number along with their pharmacy provider number. A letter must be mailed to the fiscal agent provider enrollment requesting the DME number be activated before claims will be processed. Almost half of pharmacy providers have already done this, so confirm that yours is active if you wish to bill for these products in the future. ACS, the Medicaid fiscal agent, provides downloadable software, WIN-ASAP, for claims submission if you wish to use that option. Other vendors offer software as well, or you may choose to use the paper claim form. Instructions on how to complete this claim form is available in the DME handbook, also available at the ACS website.

Sincerely,

Thomas W. Arnold  
Deputy Secretary for Medicaid

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