EmblemHealth

Pharmacy Services and Specialty Pharmacy

03/31/2023

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Chapter Summary

This program contains information regarding our pharmacy network, formularies, benefit designs, preauthorization requirements, and specialty pharmacy.

You will also find information about our Home Delivery and Smart90 SM programs, which offer our members cost savings and convenience.

Telephone Contacts

Pharmacy contact numbers are listed in the **Directory** chapter of the Provider Manual.

Pharmaceutical Management Procedures

We provide information about our pharmaceutical management procedures and **formularies** at least annually and whenever we make changes. These updates may include the following:

- Pharmacy benefit designs
- Formulary changes
- Preauthorization criteria
- Procedures for generic substitution, therapeutic interchange, step therapy, or other management methods impacting the practitioner's prescribing decisions
- Any other requirements, restrictions, limitations, or incentives that apply to the use of certain pharmaceuticals

If you require printed copies or have any questions regarding our pharmaceutical management procedures, contact the

respective pharmacy preauthorization vendor as listed in the **Directory** chapter.

Reimbursement

Claims Submission

For instructions on submitting claims, see the **Directory** and **Claims** chapters of the Provider Manual. Claims submitted without obtaining a required preauthorization number will be denied, and the member cannot be billed. Claims must also include National Drug Code numbers and Taxonomy Codes.

Billing for Drug Waste

The portion of the drug administered should be submitted on one line. The JW modifier must be submitted on a separate claim line with the discarded amount. The JW modifier should only be used on the claim line with the discarded amount.

Reimbursement Methodology for Injectables and In-Office Medications

EmblemHealth periodically reviews and adjusts reimbursement levels to reflect changes in market prices for acquiring and administering drugs.

Reimbursement Methodology for Radiopharmaceuticals

With respect to the radiopharmaceutical codes below, defined by Healthcare Common Procedure Coding System (HCPCS), EmblemHealth pays health care professionals the Average Sales Price (ASP) plus 15%. If ASP is not available, the reimbursement rate is Average Wholesale Pricing (AWP) minus 15%.

- A9500-A9700
- A4641-A4647
- Q9949-Q9969

EmblemHealth Drug Formularies

EmblemHealth Formularies

The EmblemHealth formularies cover many brand-name and generic pharmaceuticals for members who have prescription drug coverage, as defined by their benefit plan. Experimental or investigational drugs (i.e., non-FDA approved) are excluded from coverage. See formulary pages in **Clinical Corner**:

- **Commercial Formulary**
- **Medicare Formulary**

EmblemHealth Pharmacy and Therapeutics (P&T) Committee

The EmblemHealth Pharmacy and Therapeutics (P&T) Committee reviews and finalizes recommendations from the specialty subcommittees when selecting medications for inclusion in our formularies. Together, these committees review safety,

efficacy, and cost to identify the pharmaceuticals that provide optimal results for our members. Members of the P&T and specialty committees include participating doctors (primary care and specialists), pharmacists, and administrators. The committees meet regularly to keep the drug formularies current.

Additions to the Formulary

Following the introduction of any new drug in the U.S. market, the P&T Committee typically allows for an up to six-month period of study before any final decision is made on inclusion of the drug to the formulary. During this time, the P&T Committee carefully observes the use and experience of the newly marketed drug in the general population. They examine its efficacy, safety, and drug interactions, and evaluate member needs to determine whether there are any advantages of the new drugs over the existing formulary drugs. A final recommendation is made after this study period.

Pharmacy Benefit Designs

We offer several pharmacy benefit designs. Each design determines drug coverage and members' copay amounts. Each pharmacy benefit plan is subject to regulations, state and federal laws, clinical guidelines, a prior approval process, and quantity limitations, unless otherwise specified. Covered pharmacy services must be listed on the **Commercial**, or **Medicare** formularies, unless the member's benefit includes nonformulary/nonpreferred drugs (the drug formularies may describe drugs as either "formulary" or "preferred," or "nonformulary" or "nonpreferred").

Generic Versus Brand

Our prescription benefit designs are formatted into three categories of prescription medications. Due to the number of drugs on the market, the continuous introduction of new drugs, new applications of existing drugs, and new information regarding safety, the designs are continually revised.

Tier 1 - Preferred Generic Drugs

Generic drugs (Tier 1) are chemically identical to brand drugs but are priced at a fraction of the cost and offer an excellent value to the member. To gain FDA approval, generic drugs must:

- Contain the same active ingredients as the branded drug (inactive ingredients may vary).
- Be identical to the brand drug in strength, dosage form, safety, and route of administration.
- Be of the same quality, performance characteristics, and use indications.
- Be manufactured under the same strict standards of the FDA's good manufacturing practice regulations required for branded products.

When writing for generic drugs, remember to leave the “DAW” field blank to ensure the generic version of the drugs are dispensed.

Tier 2 - Preferred Brand Drugs

Our preferred brand drugs are on Tier 2 and offer our members brand drugs at a lower copay or cost-share than nonpreferred drugs. These preferred drugs are typically multi-source brand drugs produced by various manufacturers.

Tier 3 - Nonpreferred Brand and Generic Drugs

Drugs placed in Tier 3 generally have a similar, more cost-effective option available in either the preferred generic drug category (Tier 1) or the preferred brand drug category (Tier 2).

Most new FDA-approved drugs are initially placed in Tier 3 and excluded from coverage for up to six (6) months until the P&T

Committee reviews them for safety, efficacy, and clinical comparisons.

Copay Designs

The Copay Designs Table outlines the more common benefit structures with regards to copayment.

Copay Designs	
Benefit Levels	**Benefit Structure**
Single Tier Copay (with or without a deductible)	- The same copay for covered generic, preferred brand, and nonpreferred brand or generic drugs
Two-Tier Copay (with or without a deductible)	- A lower copay for covered generic drugs - A higher copay for covered preferred brand and nonpreferred brand or generic drugs
Three-Tier Copay (with or without a deductible)	- Commercial benefit design - A lower copay for covered generic drugs - A middle copay for covered preferred brand drugs - A higher copay for covered nonpreferred brand or generic drugs
Percentage Coinsurance (with or without a deductible)	- Coinsurance is based on a defined or set percentage of the actual cost for covered generic, preferred brand, and nonpreferred brand or generic drugs
Specialty and Select Drugs	- Top two highest copay tiers of patient's plan which may vary between plans

Members must pay a copay and/or deductible for each supply of medication received at a participating retail or mail order pharmacy, as required by their benefit plan.

Medicaid Pharmacy Program

Beginning April 1, 2023, all Medicaid members enrolled in EmblemHealth Enhanced Care (Medicaid) and Enhanced Care Plus (HARP) will receive their prescription drugs through NYRx, the Medicaid Pharmacy Program.

Information about the transition of the pharmacy benefit from EmblemHealth to NYRx, the Medicaid Pharmacy Program can be found **HERE**.

General information about NYRx, the Medicaid Pharmacy Program can be found **HERE** along with information for **Members** and **Providers**.

Medicare Prescription Drug Plans

We offer Medicare Advantage plans with Part D benefits under the EmblemHealth Medicare HMO and EmblemHealth Medicare PPO programs.

Network Pharmacies, Home Delivery, and Smart 90(TM) Programs

Participating Retail Pharmacies

EmblemHealth offers its members more than 60,000 independent and chain pharmacies nationwide through Express Scripts, Inc. (ESI). To find a network pharmacy, go to **emblemhealth.com/resources/pharmacy**.

Home Delivery Pharmacy Program

EmblemHealth also partners with ESI to provide convenient and cost-effective home delivery pharmacy services.

Providers may e-prescribe directly to Express Scripts home delivery pharmacy or call 888-327-9791 for instructions on how to fax a prescription to ESI. To contact ESI Mail Order Pharmacy, call 877-866-5828 (TTY: 711), 24 hours a day, seven days a week.

Smart90™ Program

Patients can get a 3-month supply of long-term maintenance medications from select pharmacies or through home delivery from the Express Scripts Pharmacy. Getting a single 3-month supply saves patients money compared to purchasing three (3) 1-month supplies. Patients make fewer trips to the pharmacy and are less likely to miss a dose since they do not have to refill as often.

EmblemHealth Opioid Management Program

EmblemHealth engages in several initiatives to manage the use of opioid drugs. EmblemHealth formularies include opioid analgesics and access to non-opioid analgesics as treatment alternatives, including nonsteroidal anti-inflammatory drugs, tricyclic antidepressants, serotonin and norepinephrine reuptake inhibitors, and anticonvulsants.

Opioid Case Management

EmblemHealth identifies members for outreach who are on multiple opioids or are receiving high doses of opioids for a long period of time. As part of the Case Management process, EmblemHealth Clinical Pharmacists call each member and their prescriber to discuss the member's use of opioids.

Fraud, Waste, and Abuse Program

To help improve coordination of care and promote the safe use of controlled substances, a member may be locked in to a single provider and a single pharmacy if evidence of fraud or opioid misuse is substantiated.

The program uses techniques to identify drug-seeking behavior, use of opioids in tandem with drug treatment medications, stockpiling, dangerous combinations of medications, frequent emergency department prescriptions, using multiple pharmacies, and excessive dosing based on morphine equivalent dose.

Advanced Opioid Management Solution

EmblemHealth participates in the **Advanced Opioid Management**® solution focused on opioid education throughout a continuum of patient care.

Preauthorization and Quantity Limits

Practitioners must obtain preauthorization when:

- Prescribing an FDA-approved nonpreferred (Tier 3) drug for a member whose benefit does not cover nonpreferred drugs.
- Requesting a non-FDA-approved drug or an approved drug for a non-FDA-approved usage for members.

The easiest way to determine whether a drug requires preauthorization and to whom the preauthorization request needs to be made is to use the **Preauthorization Check Tool**.

Express Scripts (ESI) performs utilization management services for most drugs, including home infusion therapy, specialty pharmacy, pediatric chemotherapy, and supportive agents. The services include preauthorization, quantity limits, and step therapy for all members who are not managed by Montefiore CMO or HealthCare Partners. All preauthorizations issued by ESI are added to member benefit records.

ESI does not manage adult chemotherapy and supportive agents. New Century Health conducts utilization management review for these services.

Specialty Pharmacy Medications

Some specialty pharmacy medications are complex to administer and often involve frequent dosage adjustments, severe side effects, and special storage or handling instructions. They may have a narrow therapeutic range and require periodic lab or diagnostic testing.

Specialty pharmacy medications may be covered as either a medical or pharmacy benefit depending on the diagnosis, specific formulations, and administration setting and method.

Medical Benefits (for medication shipped to provider office)

1. A prescriber can either:
    - Buy and Bill – purchase, and bill EmblemHealth for, an inventory of specialty medications directly from the manufacturer or willing licensed pharmacy and store them in the office for administration to patients. The billed amount must equal the price paid for the drug; invoices may be requested.
    - Use a Specialty Pharmacy Provider – submit prescriptions for specialty medications to a participating **specialty pharmacy provider** who will ship the medication directly to the prescriber's office for administration to the patient.
    - Single-Case Agreement: If the administering provider is out of network, that provider may request a single case agreement directly from EmblemHealth AFTER obtaining a preauthorization through **Care Continuum** or through **New Century Health for oncology**. A single case agreement can also be issued to an infusion provider for a drug that has a new J-code that has not been added to the current contract or has limited distribution.

Pharmacy Benefits (for medication shipped to patient from a pharmacy)

1. Send prescriptions for specialty medications to a network specialty pharmacy like Accredo and have it shipped directly to the patient.
2. Once received, your patient can properly store the specialty medication until office administration.

Accredo is our preferred provider for specialty pharmacy medications. Accredo offers:

- Experience providing specialty pharmacy services to members.
- Educational materials to support at-home administration.
- Free syringes and needles to members for self-administered specialty drugs.
- Comprehensive coordination of care, including refill reminders.
- Dedicated pharmacists and nurses available to patients and physicians 24 hours a day, seven days a week. They provide comprehensive support to help maximize formulary compliance and improve patient outcomes.

For Direct Delivery to a Member

Accredo's Patient Care Advocate calls the member to coordinate delivery. During this call, a specialty clinician is available to counsel the patient. Accredo dispenses and packages the prescription order with member literature on the proper administration, product usage, and appropriate ancillary supplies required for self-administration.

For those therapies requiring nursing and administration supplies (such as pumps and tubing), a specialized nurse contacts the patient or caregiver to coordinate an appointment time for initiation of therapy and any necessary training.

In some cases, unless the member requests not to be contacted, a nurse or pharmacist places a follow-up call to the member for any needed counseling and training on self-administration.

Accredo's specialty pharmacy makes every effort to dispense product within 24 hours of receipt of a complete referral.