



An Information Service of the Division of Health Benefits

**North Carolina
Medicaid Pharmacy
Newsletter**

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Medicaid Managed Care Provider Transition Information

Pharmacy providers have been inquiring about the upcoming transition to Medicaid Managed Care. Providers may refer to the Provider Transition website at <https://medicaid.ncdhhs.gov/provider-transition-managed-care> for the latest information, training and resources. Additional information will be posted as it becomes available.

Upcoming Prepaid Health Plan (PHP) Meet and Greet Sessions

Regional PHP meet and greet sessions offer providers an opportunity to meet with health plan representatives, ask specific questions about provider network participation and Medicaid Managed Care transition. In June, sessions will be held in Asheville (6/17), Charlotte (6/18), Fayetteville (6/19), Greenville (6/20) and Raleigh (6/24).

Registration is not required. For more information and the latest schedule, visit <https://medicaid.ncdhhs.gov/php-meet-and-greet>.

State Maximum Allowable Cost (SMAC) Update

North Carolina Medicaid outpatient pharmacy reimbursement methodology as approved by the Centers of Medicare and Medicaid Services (CMS) includes the use of a State Maximum Allowable Cost (SMAC) rate for generic drugs with A-rated equivalents and, in the great majority of cases, generic drugs marketed by at least two labelers.

The SMAC reimbursement is based on the application of a percentage factor applied to the lowest priced generic drug. In cases where the calculated SMAC rate, based on the primary percentage factor, results in a price less than the cost of the second lowest generic drug, at least an additional 10 percent margin is added to the cost of the second-lowest generic drug to determine the SMAC rate. The SMAC pricing factor is established by NC Medicaid and may change as deemed appropriate.

For generic drugs with only one supplier, the SMAC rate is calculated using the actual acquisition cost and average wholesale price of the generic drug. A minimum reimbursement of 20 percent above actual acquisition is guaranteed for these drugs. In most cases, SMAC rates are substantially higher than this 20 percent, which allows the state and pharmacies to share in the cost savings of using the generic product.

Generic drugs on the SMAC list must be in adequate supply. Drug shortage information is verified through national pharmacy websites as well as through information provided by national drug wholesalers.

North Carolina Medicaid has contracted with Myers and Stauffer to provide assistance in maintaining the SMAC list and rates for generic drugs. Myers and Stauffer routinely reviews and updates the SMAC rates to reflect changes in drug availability and current pricing. New drugs are also added to the SMAC list as they are identified.

Pharmacy providers may contact Myers and Stauffer regarding specific questions or concerns about the SMAC rate fee schedule or rate calculation process. Pharmacy providers can reach the pharmacy unit of Myers and Stauffer by:

Regular Mail: Myers and Stauffer LC

Pharmacy Unit

9265 Counselors Row, Suite 100

Indianapolis, IN 46240

Telephone: (800) 591-1183

Facsimile: (317) 571-8481

E-Mail: ncpharmacy@mslc.com July 2018

Internet: www.mslc.com/northcarolina

Pharmacy providers with concerns about a particular SMAC rate will be asked to complete a "STATE MAXIMUM ALLOWABLE COST PROGRAM – REQUEST FOR MEDICAID REIMBURSEMENT REVIEW" form. This request should be completed by filling in the appropriate information and submitting copies of drug purchase records to illustrate your current purchase price for the particular generic drug(s) in question.

- Myers and Stauffer will acknowledge your request and documentation within 24 hours of receipt, Monday through Friday.
- Based on the information obtained, Myers and Stauffer may conduct additional inquiries with other pharmacies to obtain additional pricing information to determine if there has been a change in the market.
- After reviewing the data submitted and any corroborating information that can be obtained, Myers and Stauffer will prepare an analysis of the issue for North Carolina Medicaid Pharmacy program.
- The results of this review will be communicated to the pharmacy provider as soon as a final decision is made. If a rate adjustment is approved, a file will be prepared to update the SMAC rate fee schedule in NCTracks.

SMAC rates may be adjusted and made effective retroactively. Any changes will be reflected in the effective dates reported in the monthly posted SMAC list which can be found at: <https://medicaid.ncdhhs.gov/documents/smac-list>. It is the responsibility of the pharmacy provider to access these changes and reprocess pharmacy claims, when appropriate, to receive the more current reimbursement rate.

Preferred Brands with Non-Preferred Generics List

Current as of May 23, 2019

Brand Name	Generic Name
Actiq 1200 mcg Lozenges	fentanyl citrate 1200 mcg lozenges
Actiq 1600 mcg Lozenges	fentanyl citrate 1600 mcg lozenges
Actiq 200 mcg Lozenges	fentanyl citrate 200 mcg lozenges
Actiq 400 mcg Lozenges	fentanyl citrate 400 mcg lozenges

Actiq 600 mcg Lozenges	fentanyl citrate 600 mcg lozenges
Actiq 800 mcg Lozenges	fentanyl citrate 800 mcg lozenges
Adderall XR 10 mg	amphetamine salt combo ER 10 mg
Adderall XR 15 mg	amphetamine salt combo ER 15 mg
Adderall XR 20 mg	amphetamine salt combo ER 20 mg
Adderall XR 25 mg	amphetamine salt combo ER 25 mg
Adderall XR 30 mg	amphetamine salt combo ER 30 mg
Adderall XR 5 mg	amphetamine salt combo ER 5 mg
Advair Diskus 100-50	fluticasone-salmeterol 100-50
Advair Diskus 250-50	fluticasone-salmeterol 250-50
Advair Diskus 500-50	fluticasone-salmeterol 500-50
Aggrenox	aspirin-dipyridamole ER
Alphagan P 0.15% Drops	brimonidine P 0.15% Drops
Androgel 1.62% Gel Pump	testosterone 1.62% gel pump
Astepro 0.15% Nasal Spray	azelastine 0.15% nasal spray
Butrans 10 mcg/hr patch	buprenorphine 10 mcg/hr patch
Butrans 15 mcg/hr patch	buprenorphine 15 mcg/hr patch
Butrans 20 mcg/hr patch	buprenorphine 20 mcg/hr patch
Butrans 5 mcg/hr Patch	buprenorphine 5 mcg/hr patch
Butrans 7.5 mcg/hr Patch	buprenorphine 7.5 mcg/hr patch
Canasa 1,000 mg Suppository	mesalamine 1,000 mg suppository
Catapres-TTS 1	clonidine 0.1 mg/day patch
Catapres-TTS 2	clonidine 0.2 mg/day patch
Catapres-TTS 3	clonidine 0.3 mg/day patch
Cipro 10% Suspension	ciprofloxacin 500 mg/5 ml suspension
Cipro 5% Suspension	ciprofloxacin 250 mg/5 ml suspension
Clobex 0.005% Shampoo	clobetasol 0.005% shampoo
Concerta 18 mg tab	methylphenidate ER 18 mg
Concerta 27 mg tab	methylphenidate ER 27 mg
Concerta 36 mg tab	methylphenidate ER 36 mg
Concerta 54 mg tab	methylphenidate ER 54 mg
Copaxone 20 mg/ml Syr	glatiramer 20 mg/ml syringe
Copaxone 40 mg/ml Syr	glatiramer 40 mg/ml syringe
Derma-Smoothe-FS Body Oil	fluocinolone 0.01% body oil
Derma-Smoothe-FS Scalp Oil	fluocinolone 0.01% scalp oil
Dermotic Otic Drops	fluocinolone 0.01% otic drops
Diastat 2.5 mg Pedi System	diazepam 2.5 mg rectal gel system
Diastat Acudial 12.5-15-20	diazepam 20 mg rectal gel system
Diastat Acudial 5-7.5-10	diazepam 10 mg rectal gel system
Differin 0.1% Cream	adapalene 0.1% cream
Differin 0.1% Gel	adapalene 0.1% gel
Differin 0.3% Gel Pump	adapalene 0.3% gel pump
Dovonex 0.005% Cream	calcipotriene 0.005% cream

E.E.S 200	erythromycin ethyl succinate 200 mg/5 ml
Elidel 1% Cream	picmecrolimus 1% cream
Emend 125 mg Capsule	aprepitant 125 mg capsule
Emend 40 mg Capsule	aprepitant 40 mg capsule
Emend 80 mg Capsule	aprepitant 80 mg capsule
Epiduo Gel	adapalene/benzoyl peroxide gel
Epclusa 400 mg-100 mg Tablet	velpatasvir and sofosbuvir 400-100 tablet
Epivir HBV Tablet 100 mg	lamivudine tablet 100 mg
Eryped 400mg/5ml suspension	erythromycin 400mg/5ml suspension
Exelon 13.3 mg/24 hr Patch	rivastigmine 13.3 mg/24 hr patch
Exelon 4.6 mg/24 hr Patch	rivastigmine 4.6 mg/24 hr patch
Exelon 9.5 mg/24 hr Patch	rivastigmine 9.5 mg/24 hr patch
Exforge-HCT 10-160-12.5	amlodipine-valsartan-hctz10-160-12.5
Exforge-HCT 10-160-25	amlodipine-valsartan-hctz 10-160-25
Exforge-HCT 10-320-25	amlodipine-valsartan-hctz 10-320-25
Exforge-HCT 5-160-12.5	amlodipine-valsartan-hctz 5-160-12.5
Exforge-HCT 5-160-25	amlodipine-valsartan-hctz 5-160-25
Fazaclo 100 mg ODT	clozapine 100 mg ODT
Fazaclo 12.5 mg ODT	clozapine 12.5 mg ODT
Fazaclo 150 mg ODT	clozapine 150 mg ODT
Fazaclo 200 mg ODT	clozapine 200 mg ODT
Fazaclo 25 mg ODT	clozapine 25 mg ODT
Focalin 10 mg	dexmethylphenidate 10 mg
Focalin 2.5 mg	dexmethylphenidate 2.5 mg
Focalin 5 mg	dexmethylphenidate 5 mg
Focalin XR 10 mg	dexmethylphenidate ER 10 mg
Focalin XR 15 mg	dexmethylphenidate ER 15 mg
Focalin XR 20 mg	dexmethylphenidate ER 20 mg
Focalin XR 25 mg	dexmethylphenidate ER 25 mg
Focalin XR 30 mg	dexmethylphenidate ER 30 mg
Focalin XR 35 mg	dexmethylphenidate ER 35 mg
Focalin XR 40 mg	dexmethylphenidate ER 40 mg
Focalin XR 5 mg	dexmethylphenidate ER 5 mg
Gabitril 12 mg	tiagabine 12 mg
Gabitril 16 mg	tiagabine 16 mg
Gabitril 2 mg	tiagabine 2 mg
Gabitril 4 mg	tiagabine 4 mg
Glyset 100 mg	miglitol 100 mg
Glyset 25 mg	miglitol 25 mg
Glyset 50 mg	miglitol 50 mg
Kadian ER 10 mg	morphine sulfate ER capsules 10 mg
Kadian ER 100 mg	morphine sulfate ER capsules 100 mg
Kadian ER 20 mg	morphine sulfate ER capsules 20 mg

Kadian ER 30 mg	morphine sulfate ER capsules 30 mg
Kadian ER 40 mg	morphine sulfate ER capsules 40 mg
Kadian ER 50 mg	morphine sulfate ER capsules 50 mg
Kadian ER 60 mg	morphine sulfate ER capsules 60 mg
Kadian ER 80 mg	morphine sulfate ER capsules 80 mg
Kitabis Pak 300 mg/5 ml	tobramycin pak 300 mg/5 ml
Letairis 5mg	ambrisentan 5mg
Letairis 10mg	ambrisentan 10mg
Lialda 1.2 gm Tablet	mesalamine 1.2 gm tablet
Lotemax 0.5% eye drops	loteprednol etabonate eye drops
Lovenox 300 mg/3 ml Vial	enoxaparin 300 mg/3 ml vial
Makena 1,250 mg/5 ml Vial	hydroxyprogesterone 1,250 mg/5 ml vial
Methylin 10 mg/5 ml Solutuion	methylphenidate 10 mg/5 ml solution
Methylin 5 mg/5 ml Solution	methylphenidate 5 mg/5 ml solution
MetroCream 0.75% Cream	metronidazole 0.75% cream
Metrogel Topical 1% Gel	metronidazole topical 1% gel
Metrogel Topical 1% Pump	metronidazole topical 1% gel
MetroLotion 0.75% Lotion	metronidazole 0.75% lotion
Mitigare 0.6 mg capsules	colchicine 0.6 mg capsules
Natroba 0.9% Topical Susp	spinosad 0.9% topical susp
Niaspan ER 1000 mg Tablets	niacin ER 1000 mg tablets
Niaspan ER 500 mg Tablets	niacin ER 500 mg tablets
Niaspan ER 750 mg Tablets	niacin ER 750 mg tablets
Nuvigil 150 MG Tabs	armodafinil 150 mg tabs
Nuvigil 200 MG Tabs	armodafinil 200 mg tabs
Nuvigil 250 MG Tabs	armodafinil 250 mg tabs
Nuvigil 50 MG Tabs	armodafinil 50 mg tabs
Oxycontin 10 mg	oxycodone ER 10 mg
Oxycontin 15 mg	oxycodone ER 15 mg
Oxycontin 20 mg	oxycodone ER 20 mg
Oxycontin 30 mg	oxycodone ER 30 mg
Oxycontin 40 mg	oxycodone ER 40 mg
Oxycontin 60 mg	oxycodone ER 60 mg
Oxycontin 80 mg	oxycodone ER 80 mg
Pataday 0.2% Drops	olopatadine 0.2% drops
ProAir HFA/Proventil HFA	albuterol HFA inhaler
Provigil 100 mg	modafinil 100 mg
Provigil 200 mg	modafinil 200 mg
Pulmicort 0.25 mg/2 ml	budesonide 0.25 mg/2 ml
Pulmicort 0.5 mg/2 ml	budesonide 0.5 mg/2 ml
Pulmicort 1 mg/2 ml	budesonide 1.0 mg/2 ml
Ranexa ER 500mg	ranolazine ER 500mg
Ranexa ER 1000mg	ranolazine ER 1000mg

Renagel 400mg	sevelamer 400mg
Renagel 800mg	sevelamer 800mg
Renvela 0.8 gm powder pkt	sevelamer 0.8 gm powder pkt
Renvela 2.4 gm powder pkt	sevelamer 2.4 gm powder pkt
Retin-A 0.025% Cream	tretinoin 0.025% cream
Retin-A 0.05% Cream	tretinoin 0.05% cream
Retin-A 0.1% Cream	tretinoin 0.1% cream
Retin-A Gel 0.01%	tretinoin gel 0.01%
Retin-A Gel 0.025%	tretinoin gel 0.025%
Sabril Powder Pack	vigabatin powder pack
Suboxone 2 mg-0.5 mg Film	buprenorphine/naloxone 2mg-0.5mg film
Suboxone 4 mg-1 mg Film	buprenorphine/naloxone 4mg-1mg film
Suboxone 8 mg-2 mg Film	buprenorphine/naloxone 8mg-2mg film
Suboxone 12 mg-3 mg Film	buprenorphine/naloxone 12mg-3mg film
Suprax 100 mg/5 ml Susp	cefixime 100 mg/5 ml susp
Suprax 200 mg/5 ml Susp	cefixime 200 mg/5 ml susp
Supraz 400 mg capsule	cefixime 400 mg capsule
Symbyax 12-25	olanzepine-fluoxetine 12-25
Symbyax 12-50	olanzepine-fluoxetine 12-50
Symbyax 3-25	olanzepine-fluoxetine 3-25
Symbyax 6-25	olanzepine-fluoxetine 6-25
Symbyax 6-50	olanzepine-fluoxetine 6-50
Tamiflu 30 mg Caps	oseltamivir 30 mg caps
Tamiflu 45 mg Caps	oseltamivir 45 mg caps
Tamiflu 6 mg/ml Suspension	oseltamivir 6 mg/ml suspension
Tamiflu 75 mg Caps	oseltamivir 75 mg caps
Tegretol 100 mg/5 ml Susp	carbamazepine 100 mg/5 ml susp
Tegretol 200 mg Tab	carbamazepine 200 mg tab
Tegretol XR 100 mg Tab	carbamazepine ER 100 mg tab
Tegretol XR 200 mg Tab	carbamazepine ER 200 mg tab
Tegretol XR 400 mg Tab	carbamazepine ER 400 mg tab
Tekturna 150mg Tablet	aliskiren 150mg tablet
Tekturna 300mg Tablet	aliskiren 300mg tablet
TobraDex Eye Drops	tobramycin-dexamethasone drops
Transderm-Scop 1.5 mg/3 day	scopolamine 1 mg/3 day patch
Vagifem 10 mcg Vaginal Tab	estradiol 10 mcg vaginal insert
Vigamox 0.5% Eye Drops	moxifloxacin 0.5% eye drops
Voltaren 1% Gel	diclofenac 1% gel
Xenazine 12.5 mg Tablets	tetrabenazine 12.5 mg tablets
Xenazine 25 mg Tablets	tetrabenazine 25 mg tablets
Zovirax 5% Cream	acyclovir 5% cream
Zovirax 5% Ointment	acyclovir 5% ointment

As a reminder, if a brand is Preferred with a Non-Preferred generic equivalent, “medically necessary” is NOT needed on the face of the prescription in order for the brand product to be covered.

Claims for preferred brands with non-preferred generics will be reimbursed with a generic product dispensing fee. Claims for preferred brands with no generic or preferred brands with preferred generics will be reimbursed with a brand dispensing fee.

When a PDL class has a preferred brand with a non-preferred generic, providers requesting prior approval for the non-preferred generic should give a clinical reason why the beneficiary cannot use the brand.

72-Hour Emergency Supply Available for Pharmacy Prior Authorization Drugs

Pharmacy providers are encouraged to use the 72-hour emergency supply allowed for drugs requiring prior approval. **Federal law requires that this emergency supply be available to Medicaid beneficiaries for drugs requiring prior approval** (Social Security Act, Section 1927, [42 U.S.C. 1396r-8\(d\)\(5\)\(B\)](#)). Use of this emergency supply will ensure access to medically necessary medications.

The system will bypass the prior approval requirement if an emergency supply is indicated. **Use a “3” in the Level of Service field (418-DI) to indicate that the transaction is an emergency fill.**

Note: Copayments will apply and only the drug cost will be reimbursed. There is no limit to the number of times the emergency supply can be used.

Checkwrite Schedule for June 2019

Electronic Cutoff Schedule	Checkwrite Date
May 31, 2019	June 4, 2019
June 7, 2019	June 11, 2019
June 14, 2019	June 18, 2019
No checkwrite for cutoff June 21	No checkwrite June 25

POS claims must be transmitted and completed by 11:59 p.m. on the day of the electronic cutoff date to be included in the next checkwrite.

The 2019 checkwrite schedules for both DHB and DMH/DPH/ORH can be found under the Quick Links on the right side of the [NCTracks Provider Portal](#) home page.

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