Medi-Cal's transition to a Fee For Service Model

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Population Impacted by the transition to Fee For Service

Per California's Department of Health Care Services (DHCS), nearly 14 million patients count on the state's Medicaid program for healthcare benefits (Medi-Cal)

Of those nearly 14 million patients, about 10.5 million are enrolled in Medi-Cal managed care health plans

"The focus of improving our healthcare delivery system remains top priority."

https://www.dhcs.ca.gov/services/medi-cal

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Objectives

Review changes to California's Medicaid Pharmacy Benefit: Medi-Cal Rx

Understand how these changes affect real world oncology practice

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Gavin Newsom's Executive Order N-01-19

Medi-Cal Rx: Transition

Overview

On January 7, 2019, Governor Gavin Newsom issued Executive Order N-01-19 (EO-N-01-19) for achieving cost-savings for drug purchases made by the state. A key component of EO N-01-19 requires the Department of Health Care Services (DHCS) transition all Medi-Cal pharmacy services from managed care (MC) to fee for service (FFS) by January 1, 2021.

Transitioning pharmacy services from MC to FFS will, among other things:

Standardize the Medi-Cal pharmacy benefit statewide, under one delivery system.

Improve access to pharmacy services with a pharmacy network that includes approximately 94% of the state's pharmacies.

Apply statewide utilization management protocols to all outpatient drugs.

Strengthen California's ability to negotiate state supplemental drug rebates with drug manufacturers.

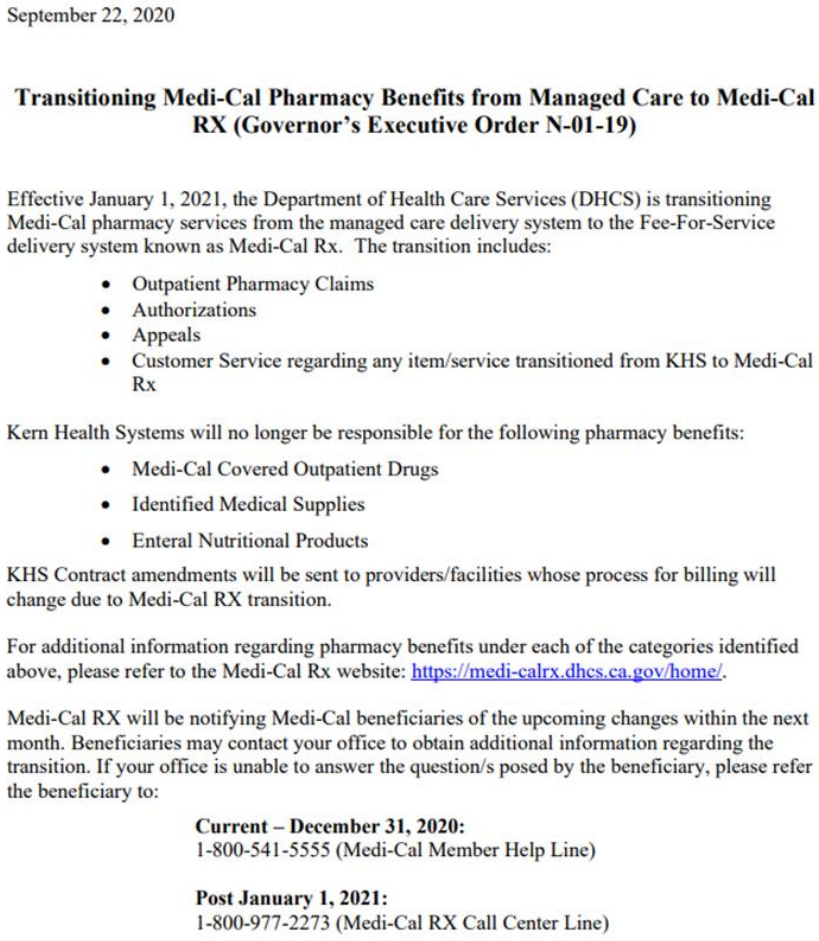
The Medi-Cal pharmacy benefits and services administered by DHCS in the FFS delivery system will be identified collectively as "Medi-Cal Rx".

https://www.dhcs.ca.gov/provgovpart/pharmacy/Pages/Medi-CalRX.aspx

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Communications You Can Expect From DHCS and Payers

- Executive Orders – January 2020
- 60-day letter from DHCS – November 2020
- 30-day letter from DHCS – not sent due to timeline extension
- Letters from Payers



September 22, 2020

Transitioning Medi-Cal Pharmacy Benefits from Managed Care to Medi-Cal RX (Governor's Executive Order N-01-19)

Effective January 1, 2021, the Department of Health Care Services (DHCS) is transitioning Medi-Cal pharmacy services from the managed care delivery system to the Fee-For-Service delivery system known as Medi-Cal Rx. The transition includes:

- Outpatient Pharmacy Claims
- Authorizations
- Appeals
- Customer Service regarding any item/service transitioned from KHS to Medi-Cal Rx

Kern Health Systems will no longer be responsible for the following pharmacy benefits:

- Medi-Cal Covered Outpatient Drugs
- Identified Medical Supplies
- Enteral Nutritional Products

KHS Contract amendments will be sent to providers/facilities whose process for billing will change due to Medi-Cal RX transition.

For additional information regarding pharmacy benefits under each of the categories identified above, please refer to the Medi-Cal Rx website: https://medi-calrx.dhcs.ca.gov/home/.

Medi-Cal RX will be notifying Medi-Cal beneficiaries of the upcoming changes within the next month. Beneficiaries may contact your office to obtain additional information regarding the transition. If your office is unable to answer the question/s posed by the beneficiary, please refer the beneficiary to:

Current – December 31, 2020:
1-800-541-5555 (Medi-Cal Member Help Line)

Post January 1, 2021:
1-800-977-2273 (Medi-Cal RX Call Center Line)

*Content credit to Kern Health Systems

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What does an oncology team need to know?

Medi-Cal Rx Overview

Medi-Cal Rx will include all pharmacy services billed as a pharmacy claim, including but not limited to:

- Outpatient drugs (prescription and over-the counter), including Physician Administered Drugs or PADs
- Enteral nutrition products
- Medical supplies

Medi-Cal Rx will not include pharmacy services billed as a medical (professional) or institutional claim.

Medi-Cal Rx will not change:

- The scope of the existing Medi-Cal pharmacy benefit.
- Providing pharmacy services as part of a bundled/all-inclusive billing structure in an inpatient or long-term care setting, regardless of delivery system.
- Existing Medi-Cal managed care pharmacy carve-outs (e.g., blood factor, HIV/AIDS drugs, antipychotics, or drugs used to treat substance use disorder). Today, these are carved out from most Medi-Cal managed cares plans (MCPs) and, as of January 1, 2021, will be carved out of all MCPs.
- The State Fair Hearing process.

Medi-Cal Rx will impact all Medi-Cal MCPs, including AIDS Healthcare Foundation.

Medi-Cal Rx will not apply to Programs of All-Inclusive Care for the Elderly (PACE) plans, Senior Care Action Network (SCAN) and Cal MediConnect health plans, or the Major Risk Medical Insurance Program (MRMIP).

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Provider Portal

DHCS | Medi-Cal Rx

Education and Outreach | Tools & Resources | FAQ | Register | Login

- Bulletins & News
- Forms & Information
- Helper Utilities

Welcome to the Medi-Cal Rx Provider Portal

This website will offer publicly available content with general Medi-Cal Rx resources and information for providers to be able to successfully conduct pharmacy business. Over the next few months leading up to April 1, 2021, the site will expand to include access to pharmacy tools such as Drug Lookup, Eligibility Lookup, electronic prior authorization submission, and the provider manual.

Please "Register" for secured portal access and then "Login" once registration has been completed for secured portal access to additional tools and applications which include:

- Saba Learning Management System
- Beneficiary Eligibility Lookup
- Prior Authorization
- Web Claims Submission
- Finance Portal
- Batch Claims Information
- Secured Chat and Messaging

If you need assistance with registration, please refer to the UAC Quick Start Guide.

https://medi-calrx.dhcs.ca.gov/provider/

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Potential Impacts to Your Practice

How will this impact your practice

- Patients will have new pharmacy benefit cards
- Patients will need new prior authorizations – 180 day grace period
- Formulary coverages
- CCS changes have not yet been communicated
- Any exceptions to the rule?

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Given the ongoing challenges and constantly evolving health care landscape associated with the unprecedented COVID-19 public health emergency (PHE), the Department of Health Care Services (DHCS), after careful consideration and in close partnership and collaboration with Magellan Medicaid Administration, Inc., has decided to lengthen the transition time to the full implementation of Medi-Cal Rx by three (3) months, until April 1, 2021. In the interim, all current prescription drug service processes and protocols, both effectuated by DHCS and Medi-Cal managed care plans (MCPs), will remain unchanged and in place until Medi-Cal Rx launches. DHCS will be working diligently to update documents and resources on this website accordingly to reflect the new date of implementation, so we appreciate your patience.

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Medi-Cal Rx Lengthens Transition Time to Full Implementation – Go-Live on April 1, 2021

November 16, 2020

Given the ongoing challenges and constantly evolving health care landscape associated with the unprecedented COVID-19 public health emergency (PHE), the Department of Health Care Services (DHCS), in partnership and collaboration with Magellan Medicaid Administration, Inc. (Magellan), has decided to lengthen the time for the full implementation of the transition to Medi-Cal Rx by three (3) months. DHCS and Magellan will continue to dedicate their combined efforts and rigorous preparations toward Assumption of Operations (AOO) for Medi-Cal Rx on April 1, 2021. In the interim, all current processes and protocols, both effectuated by DHCS and by our Medi-Cal Managed Care Plans (MCPs), respectively, will remain unchanged and in place until Medi-Cal Rx launches.

While neither DHCS nor Magellan takes this decision lightly, we are confident that given the COVID-19 PHE, this decision is in the best interests of our Medi-Cal beneficiaries and providers. Lengthening the time for full implementation will help to ensure a more complete transition, as well as mitigate impacts to beneficiaries in accessing their medication. Moving the launch of Medi-Cal Rx to April 1, 2021, will provide additional and valuable opportunities for Medi-Cal providers, beneficiaries, MCPs, and other interested parties to become better acclimated to and familiar with new Medi-Cal Rx policies and processes through additional messaging from DHCS and Magellan, additional targeted stakeholder engagement and outreach efforts, and additional provider trainings.

Please note that DHCS will be working to update applicable provider guidance and associated Medi-Cal Rx provider bulletins/Newsflash articles in the coming weeks to reflect the April 1, 2021 go-live date. With the exception of the three-month shift in the go-live date, all other aspects of the transition communicated to our providers via bulletins through the Medi-Cal and Medi-Cal Rx websites remain unchanged.

DHCS appreciates your continued support and collaboration relative to this important project and looks forward to the successful launch and AOO of Medi-Cal Rx on April 1, 2021. If you have any questions about this notification, please feel free to direct them to the Medi-Cal Rx Project Team at RxCarveOut@dhcs.ca.gov. Thank you.

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Nexavar new start example



Background

- 13 year old female
- Nexavar one tablet (200 mg) twice daily prescribed
- Pharmacist outreach to patient for pharmacy benefit information
- Patient reads information from Managed Medicaid card

Our Solution

- Pharmacist recognizes the transition to Fee For Service and uses Medi-Cal Rx portal to obtain proper billing information
- Pharmacist informs oncologist of need for prior authorization and engages in the prior authorization process through the Medi-Cal Rx Portal
- Once approved, Pharmacist provides consultation and informs patient's mother of a follow-up call on day 7, as part of our adherence and adverse event management program: Connected Care.

Outcomes

- Intervention:
- Pharmacist prevented delays in treatment by addressing incorrect billing information
  - Pharmacist monitored for adverse events and reported results of consultation to physician
  - Addressed through follow-up:
    - Unwanted side effects such as hand-foot skin reaction and other complications
    - Adherence
    - Reduced disease progression

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Steps you can take today

- Educate staff re: Transition to Fee For Service
  - Understand the 180-day grace period for prior authorizations
  - Review the Medi-Cal Rx Provider site
  - Connect with a local specialty pharmacy that is knowledgeable about the change

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Connect to Community Walgreens



We've got you covered

Great news! On 1/1/2021, Medi-Cal will have open pharmacy networks and Walgreens can support all Medi-Cal patients.

We're always here for you with the services and support that can make a meaningful difference.

An extension of your care team
Supporting the regimen you prescribe through a team of specialized pharmacists who are ready to work with you and your patients over the phone or online

Tools that support adherence
Helping patients succeed on their therapy with services that range from patient check-ins to personalized communication for you and your staff

Staff dedicated to helping facilitate prior authorizations for eligible patients
Making sure your patients can get the medications they need, as soon as possible

Expertise in a wide range of health conditions
We have a team of experts in chronic, complex and rare health conditions

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Connected Care oncology background

Overview

Our patented program:

- Provides phone-based support for our members who are prescribed self-administered anti-cancer medications
- Provides an evidence-based, member-centered process focused on **driving medication adherence** and **improving member outcomes**
- Guides interactions with members, helping them stay on their treatment and **manage any possible side effects**
- Uses Cycle Management to **enhance physician-to-member support** and communication
- Uses Split Fill to promote appropriate use to mitigate waste while **reducing costs**

Program Components

- Pharmacist Assessments including adherence, medication information and side effects counseling
- Cycle Management Program
- Split Fill
- Physician Notification
- Therapy Report Card

In 2018, we were awarded a US patent for our Connected Care Oncology Program. In 2019, we were awarded the Platinum Award by Academy of Managed Care Pharmacy for our split fill research.

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FAQs

Here is what we've been asked over the past few months by providers like you:

Who is responsible for the Prior Authorization process for Medi-Cal Rx patients?

What role will pharmacy teams play in the Prior Authorization process?

Will patients have a copay?

What will the formulary look like?

Will there be barriers to patients receiving their medications?

How will my day-to-day be affected by this?

You can visit Medi-Cal Rx's FAQs page here: https://medi-calrx.dhcs.ca.gov/home/faq/

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Resources for you!

Online:

- https://medi-calrx.dhcs.ca.gov/home/education
- https://www.walgreens.com/pharmacy/medicaid_plans.jsp

Location	Pharmacist	Phone	Fax	Email
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Orange County	Brian Chau, PharmD	714-289-3651	714-289-9128	Rxm.03815@store.Walgreens.com
San Diego County	Peter Min, PharmD	858-352-2242	858-352-2244	Peter.min@Walgreens.com

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