

FAQs for Providers

What is a Preferred Drug List (PDL)?

The Preferred Drug List (PDL) is a list of medications to help prescribers and members choose safe, effective, and lower-cost drugs. The Kentucky Department for Medicaid Service's (DMS) Pharmacy and Therapeutics (P&T) Committee, made up of physicians and pharmacists, recommend the preferred or non-preferred status for the drugs in each class and the corresponding clinical criteria for each class and specific product, as necessary. Preferred drugs have fewer restrictions than non-preferred drugs. Non-preferred drugs will need a prior authorization.

What is changing for who and when?

Beginning January 1, 2020, all Managed Care Organizations (MCOs) in Kentucky will use the DMS established Single PDL. Medicaid members enrolled with an MCO will have access to all of the drugs on the Single PDL.

Why is this change occurring?

Per KRS 205.647, DMS is required to implement a Single PDL for all MCOs. DMS sees additional benefits including:

- Simplifying the prescribing and prior authorization processes for all providers serving Kentucky Medicaid members
- Less disruption if members move from one MCO to another
- The Single PDL encourages the use of the most cost-effective drugs within a PDL drug class
- The Single PDL allows for ease in implementation of Medicaid population health initiatives.

How does this change affect drugs that are not included on the PDL?

Each MCO will continue to maintain a list of drug products that is more comprehensive than the Single PDL. Each MCO will use their own clinical criteria and coverage policies for drugs that are not part of the Single PDL. This may or may not align with DMS established criteria for the fee-for-service Medicaid population.

How does this change affect physician administered drugs (PAD)?

The Single PDL applies only to the pharmacy benefit where a drug is dispensed and billed by a pharmacy. When a drug is administered to a member and billed on a medical claim (ex. CMS-1500, 837P), the Single PDL does not apply. Physician administered drugs that are billed on a medical claim will continue to be managed by each MCO according to their own clinical criteria and coverage policies.

If I have an approved drug prior authorization for a patient and the drug is non-preferred on the PDL, will I need to submit another prior authorization request?

No. If you have an existing prior authorization (PA) approved for a patient and the drug becomes non-preferred on January 1, 2021, your existing PA will continue to be honored by the MCO until the PA expires.

Has the process to obtain a PA changed?

No. DMS and MCOs allow electronic and fax submission of prior authorization requests. The PA process has not changed. PA requests must be submitted to DMS (MagellanRx) or the MCO that is responsible for the member's coverage.

If I need to obtain a PA, how long does that process take?

Once submitted, DMS and MCOs will respond to a drug prior authorization request within 24 hours to inform you if the request is approved, denied, or if more information is needed.

Can MCOs list drugs not on the PDL as preferred or non-preferred?

No. However, each MCO will continue to use their own clinical criteria and coverage policies for drugs or drug classes that are not part of the Single PDL.

Will MCOs use different prior authorization criteria for non-preferred drugs on the Single PDL?

DMS and MCOs will use the same non-preferred prior authorization criteria.

How will drugs not included in the Single PDL be handled?

Covered outpatient drugs that are not included in the Single PDL remain covered drugs for beneficiaries. Some drugs that are not included on the Single PDL may require clinical prior authorization by the member's MCO or by DMS.

How is a drug selected for inclusion on the PDL?

Kentucky DMS utilizes MagellanRx to review each drug on its clinical merits as compared to other drugs in the same drug class. MagellanRx utilizes a variety of sources to evaluate the drug's efficacy and effectiveness, including peer-reviewed clinical trials and published articles. DMS presents drug classes and new products for review to the P&T Committee. The members of the P&T then make recommendations to DMS regarding the preferred or non-preferred status of each drug within the drug class, product specific criteria, and any changes to established drug class criteria. After considering both the P&T Committee's recommendations and MagellanRx's provided financial analyses, DMS will make the final decision on the drug.

How often will drugs, or drug classes, be reviewed and changes made to the PDL?

The P&T Committee will review drugs or drug classes at the quarterly P&T meeting. A schedule has been established for review of select classes at the quarterly P&T meetings.

How will new drugs to market be handled?

The Single PDL will be updated on a consistent basis. New drugs that come to market will be covered as long as they meet CMS criteria for a Medicaid covered drug. Drugs that fall into a class on the Single PDL are generally designated as non-preferred until they are reviewed by the P&T committee. These drugs remain available to Medicaid beneficiaries through the prior authorization process.

Where can I find more information about the P&T Committee and meetings?

P&T meetings are open to the public. All meeting dates and times are listed on the DMS and Magellan websites.