Fee-for-Service Pharmacy Reform Prior Authorization for Atypical Antipsychotics

The enacted 2011-2012 New York State (NYS) Executive Budget included several significant changes to the Medicaid fee-for-service (FFS) pharmacy benefit. One of those changes was to eliminate the exemption from prior authorization requirements for drugs in the following therapeutic classes: atypical anti-psychotics, anti-depressants, anti-rejection drugs used for the treatment of organ and tissue transplants and anti-retroviral drugs used in the treatment of HIV/AIDS.

As previously announced, the Department delayed implementation of this initiative until systems were in place to support the grandfathering of patients stabilized on non-preferred atypical anti-psychotics. Those systems will be in place in late December 2011.

Effective December 29, 2011, prior authorization will be required for atypical anti-psychotics identified as non-preferred on the Medicaid Preferred Drug List.

System editing will be performed at the point-of-service that will allow claims to reimburse without prior authorization when clinical criteria are met such as when a beneficiary has been stabilized on a non-preferred product. When clinical criteria are not met, pharmacy providers will receive an edit message instructing them to notify the prescriber to change the prescription to a preferred drug, if appropriate, or to obtain prior authorization through the clinical call center at (877) 309-9493 for the non-preferred drug.