POLICY AND PROCEDURE

DEPARTMENT: Pharmacy Operations	**DOCUMENT NAME:** GENERIC DRUG ADDITIONS TO PDL
PAGE: 1 of 2	**REPLACES DOCUMENT:**
APPROVED DATE: 5/2016	**RETIRED:**
EFFECTIVE DATE: 5/2016	**REVIEWED/REVISED:** 11/16, 08/17
PRODUCT TYPE: Medicaid	**REFERENCE NUMBER:** CC.PHAR.14

SCOPE:
Centene Corporate Pharmacy Solutions, Health Plan Pharmacy Departments, ~~and~~ Envolve Pharmacy Solutions~~.~~

PURPOSE:
To describe how generic drugs are assigned, identified, and placed on the preferred drug list (PDL) and insure consistency in handling drugs that change from a single-source brand (SSB) to a multi-source brand (MSB) when a generic becomes available.

POLICY:
Envolve Pharmacy Solutions will determine whether the product will be treated as a brand or a generic based on the designation given by the drug file database, Medispan. PDL drugs that change from SSB to MSB with a generic available will move to non-PDL. Non-PDL drugs that change from SSB to MSB with a generic available will remain non-PDL. This process may apply to narrow therapeutic index (NTI) drugs as well.

Coverage may be allowed for a MSB drug when generic is available if the CP.PMN.16 Request for Medically Necessary Drug not on the PDL criteria is met.

PROCEDURE:
1. The claims processing system ~~, PBM,~~ implements an automatic process when Medispan sends data that a drug has become a MSB. The MSB gets blocked at point of sale (POS) and the claim will require generic drug coverage.
    a. For plans that are GPI (Generic Product Identifier) based, the generic NDC (National Drug Code) is automatically added and the brand NDC is blocked at POS.
    b. For plans that are NDC based, the generic NDC has to be manually added and the brand NDC manually removed.
    c. If the GPI of the MSB is non-preferred, the new generic NDC under that GPI will be non-preferred as well. The Strategy Development Committee (SDC)~~Medicaid Pharmacy Director~~ will review the new generic for consideration of addition to the PDL. The SDC monitors on an ongoing basis new non-preferred generics entering the market. ~~during its annual therapeutic class review or upon the recommendation of internal stakeholders.~~
2. It can be recommended that a restriction be placed on this automated process by blocking the new generic NDC at POS. This is a manual process and needs to be implemented prior to the release of the generic drug. This restriction may occur if:
    a. The price of the generic is not less than 10% of the brand drug price. Or,
    b. If the manufacturer of the MSB offers a significant rebate if the MSB remains on the PDL through the 6 month exclusivity period.

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REFERENCES:
CP.PMN.16 Request for Medically Necessary Drug not on the PDL

ATTACHMENTS: N/A

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DEFINITIONS:
PDL - Preferred Drug List
SSB - Single-Source Brand
MSB - Multi-Source Brand
NTI - Narrow Therapeutic Index
POS – Point of sale
GPI - Generic Product Identifier
NDC – National Drug Code
SDC - Strategy Development Committee

REVISION LOG

REVISION	DATE
Changed US Script to Envolve Pharmacy Solutions.	11/16
Updated 1c to reflect that the SDC reviews new generics for consideration of addition to the PDL; added SDC to definitions; deleted name of claims processing system, PBM.	08/17

POLICY AND PROCEDURE APPROVAL

Pharmacy & Therapeutics Committee: Approval on file

V.P., Pharmacy Operations: Approval on file

SR. V.P. Medical Affairs or Chief Medical Officer: Approval on file

NOTE: The electronic approval is retained in Compliance 360.