PacificSource
Community Solutions

Medicaid Formulary Exception Criteria

Purpose:

The purpose of this policy is to establish criteria for which exceptions to the formulary or drug list may be allowed. A drug formulary is used to encourage safe, effective, and economical prescribing of drugs.

Exception criteria:

- Documented intolerance or failure to the formulary alternatives for the submitted diagnosis
- The dosage and indication are within the Food and Drug Administration (FDA) approved labeling
- The member's condition is considered funded based on the Oregon Health Plan's Prioritized List of Health Services
- The provider has demonstrated that there are no other medically reasonable formulary options

Resources used for making utilization decisions and developing criteria may include:

- Food and Drug Administration (FDA) approved label
- Nationally recognized utilization management criteria and established practice guidelines, such as the National Comprehensive Cancer Network (NCCN)
- Medicare approved compendia (American Hospital Formulary Service-Drug Information (AHFS-DI), NCCN, Micromedex)
- Peer-reviewed medical literature
- In-network and out-of-network physician specialty consultants
- Members of the Pharmacy and Therapeutics (P&T) committee or outside consultants
- Other Medicaid health plan criteria, including posted PacificSource medical prior authorization criteria for requested treatment

Reauthorization will require documentation of treatment success and a clinically significant response to therapy.

Approval duration: 12 months, unless otherwise specified.

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Medicaid Quantity Limit Exception Criteria

Purpose:

The purpose of this policy is to establish criteria for which exceptions to quantity limits may be allowed. A quantity limit is the maximum amount of drug that may be dispensed within a specified time frame. A quantity limit is applied to encourage appropriate and cost-effective prescribing of drugs in accordance with labeling approved by the Food and Drug Administration (FDA), pharmaceutical manufacturers and peer-reviewed literature.

Exception criteria:

Requests will be evaluated based on FDA labeling, compendia listing, or primary literature supporting the request.

Considerations for coverage include:

- The member requires additional quantities of medication due to dosage titration up to the FDA-approved maximum daily dose
- The member has exhausted higher dosage strengths of the medication
- The requested dose is considered medically safe and effective
- The daily dosage and dosing frequency for the indication are within the FDA-approved labeling

Reauthorization will require documentation of treatment success and a clinically significant response to therapy.

Approval duration: 12 months, unless otherwise specified.