	DEPARTMENT:	Utilization Management
	SUBJECT:	Medicare Part D Enrollee Transition
	PRODUCT LINE:	Medicare H7598 PBP 003
	POLICY NUMBER:	HM105
	ORIGINAL POLICY EFFECTIVE DATE:	06/02/2020
	LAST REVISED DATE:	7/31/2024
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### **SCOPE:**

The purpose of this document is to establish safeguards for a smooth transition process for plan enrollees while maintaining maximum flexibility in managing their prescription drug benefit offerings. A transition process, consistent with 42 CFR 423.120(b)(3) is necessary to:

- Transition new enrollees into prescription drug plans following the annual coordinated election period.
- Transition newly eligible Medicare beneficiaries from other coverage.
- Transition enrollees who switch from one plan to another after the start of a contract year.
- Transition current enrollees affected by negative formulary changes across contract years.
- Transition enrollees residing in long-term care (LTC) facilities.

Group Health Cooperative of Eau Claire (the Cooperative) will submit this policy to CMS for Plan H7598. This document defines the time periods associated with enrollee transition processes.

### **POLICY:**

Consistent with the requirements of the Medicare Part D regulations, the Cooperative will provide services to effectively transition new enrollees' medications and address transition needs of current enrollees.

Transition medication fills are automatically available to enrollees at the point-of-sale with no further action required by the pharmacy. Transition fills are subject to some specific edits (See Transition Process sections).

### **DEFINITIONS:**


For purposes of this Transition Policy non-formulary drugs, means both:

1. Part D drugs that are not on the Cooperative's formulary, and
2. Part D drugs on the Cooperative's formulary but requires prior authorization or step therapy, or that have an approved quantity limit lower than the beneficiary's current dose, under utilization management rules.

### **PROCEDURE:**

#### **General Transition Process**


1. When a new enrollee first presents at a participating pharmacy with a prescription for a drug that is not on the formulary, a one time, temporary supply of non-formulary Part D drug will be provided in order to accommodate the immediate needs of an enrollee, as well as to allow the pharmacy and/or the enrollee sufficient time to work out with the prescriber an appropriate switch to a therapeutically equivalent medication or the completion of an exception request to maintain coverage of an existing drug based on reasons of medical necessity. The Cooperative will provide a temporary one month supply when an enrollee presents at a pharmacy to request a refill of a non-formulary Part D drug within the first 90 days of their coverage under the new Plan.
  - a. With the exception of the long-term care setting, such a temporary fill may be a one-time fill only.
2. Refills of prescriptions dispensed for less than the prescribed amount due to quantity limits for safety purposes or drug utilization edits will be permitted up to the written amount, based on approved product labeling.

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3. Transition periods will not be affected by the end/beginning of contract years.
  - a. The Cooperative will extend this policy across contract years, should a member enroll with an effective date of either November 1st or December 1st, and need access to a transition supply.
4. Any cost sharing for medications supplied under the transition process will not exceed the statutory maximum co-payment amounts for low-income subsidy (LIS) eligible enrollees.
  - a. For LIS eligible enrollees, the cost-sharing for a temporary supply of drugs will not exceed the statutory maximum copayment.
5. For non-LIS eligible enrollees, the Cooperative will ensure that the cost-sharing for a temporary supply of medications provided under this process is the same for non- formulary drugs approved through a formulary exception in accordance with 42CFR 423.578(b) and the same cost sharing for formulary drugs subject to utilization management edits provided during the transition that would apply once the utilization management criteria are met.
6. Until alternative transactional coding is implemented in a new version of the HIPAA standard, the Cooperative, and its pharmacy benefits management (PBM) subcontractor will be responsible for ensuring that appropriate systems are in place to accomplish goals (related to messaging) communicated through NCPDP for Part D claims adjudication. Otherwise, the Cooperative, and its PBM will utilize alternative approaches that achieve the goals intended in the messaging guidance.
7. When a transition supply prescription claim is paid by the Cooperative's PBM, the pharmacy will be notified via an electronic message informing them that the fill was part of a transition supply. If the claim encounters a valid transitional reject, a message is returned to the pharmacy to indicate the reason for the rejection.
8. Once the transition period has ended, the Cooperative's PBM will reject pharmacy claims for which medications are non-formulary or exceed plan limitations.
9. The transition process is to be applied to a brand-new prescription for a non-formulary drug if it cannot make the distinction between a brand-new prescription for a non- formulary drug and an ongoing prescription for a non-formulary drug at the point-of- sale.
  - a. Members are allowed eligible transition supply fills up to the plan defined 'transition day supply' and then rejects a claim if no exception or PA is in place for the enrollee.
10. Current enrollees whose drugs are affected by a negative formulary change in the upcoming year will be provided the transition process at the start of the new contract year.
  - a. The current enrollee's transition eligibility will be viewed as if they are a new enrollee. The current enrollee will not be limited on transition eligibility based on previous utilization.
11. The Cooperative will ensure that reasonable efforts are made to notify prescribers of affected enrollees who receive a transition notice.

#### **Medical Review for Non-formulary Medications**

1. In the event a request for a non-formulary medication, or in the case that a new Part D plan enrollee requires a switch to a formulary alternative that has failed an affirmative medical necessity determination, a clinical pharmacist from the Cooperative or the Cooperative's PBM and Chief Medical Officer (CMO) will confer with member's physician or nurse practitioner to ensure that the member receives the appropriate medication therapy. Ultimately, the medication covered for the member, will be an alternative or otherwise the originally prescribed medication.
2. The intent is for a medical review be performed, so that the member has access to needed medications.

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### Transition Process in the Retail Setting


1. The Cooperative will ensure, in the retail setting, the transition policy provides for a one-time, of at least a month's supply of medication, unless the prescriber writes the prescription for less than a month's supply.
2. The Cooperative will ensure the enrollee receives refills for transition prescriptions dispensed for less than the written amount due to quantity limit safety edits or drug utilization edits based on manufacturer approved product labeling.
3. The total month's supply of medication may be filled at any time during the first 90 days of the Cooperative's enrollment, beginning on the effective date of coverage.
4. During transition, the Cooperative, may only apply the following utilization management edits during transition at point of sale:
  - a. Edits to determine Part A or B versus Part D coverage.
  - b. Edits to prevent coverage of a non-Part D drug,
  - c. Edits to promote safe utilization of a Part D drug.
5. Step therapy and prior authorization edits must be resolved at the point-of-sale.

### Current Enrollee Transitions

1. When a member has an unplanned transition – typically involving a change in level of care – the Cooperative is required to make coverage determinations and redeterminations as expeditiously as the enrollee's health condition requires.
2. The Cooperative will provide transition supplies while an exception is processed.
3. When a prescription change results in the early depletion of a prescription, the Cooperative will not deny as "too soon" a request for refill.
4. When a drug is removed from the Cooperative's formulary (i.e. negative formulary change), all enrollees affected by this change will be provided with a transition process consistent with this policy by:
  - a. Providing a transition process at the start of the new contract year, or
  - b. Effectuating a transition prior to the start of a new contract year.

### Transition Process in the LTC Setting

1. Additional review is required when transitioning residents of LTC facilities since they are more likely to be receiving multiple medications for which simultaneous changes could significantly impact the condition of the enrollee.
2. The Cooperative will work with network LTC pharmacies and facilities prior to the effective date of enrollment, to ensure a seamless transition of the facility's residents.
3. The temporary supply of non-formulary Part D drugs for an enrollee in a LTC facility will be for up to a 31 day supply, consistent with the applicable dispensing increment in the long-term care setting (unless the prescription is written for less) with refills provided during the first 90 days of enrollment, beginning on the enrollee's effective date of coverage.
4. During transition, the Cooperative, may only apply the following utilization management edits during transition, at point of sale:

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- i. Edits to determine Part A or B versus Part D coverage.
  - ii. Edits to prevent coverage of a non-Part D drug,
  - iii. Edits to promote safe utilization of a Part D drug.
5. Current enrollees entering LTC settings from other care settings will be provided emergency supplies of non-formulary drugs. Early refill edits are not used to limit appropriate and necessary access to Part D benefits.
6. The Cooperative will allow an enrollee to access a refill upon admission or discharge from a LTC facility if he or she does not have access to the remainder of a previously dispensed prescription. Early refill edits are not used to limit appropriate and necessary access to Part D benefits.
7. The Cooperative will honor multiple fills of non-formulary Part D drugs as necessary during the entire length of the 90-day transition period for residents of LTC facilities.
8. An emergency supply of non-formulary Part D drugs will be provided after the 90-day transition period while an exception or prior authorization is requested.
  - i. LTC emergency supplies for 31 days (unless the prescription is written for less than 31 days).
  - ii. An emergency fill will be a one-time fill only.

#### **Continuation of the Transition Period**

1. The Cooperative will make arrangements to continue to provide necessary drugs to an enrollee via an extension of the transition period, on a case-by-case basis, to the extent that his or her exception request or appeal has not been processed by the end of the minimum transition period, and until such time as a transition has been made (either through a switch to an appropriate formulary drug or decision on an exception request).
2. The Cooperative will provide affected enrollees with clear guidance regarding how to proceed after a temporary fill is provided, so that an appropriate and meaningful transition can be effectuated by the end of the transition period.
3. Until the transition is actually made, either through a switch to an appropriate formulary drug, or decision of an exception request, the Cooperative will provide continuation of drug coverage, other than for drugs not covered under Medicare Part D.

#### **Communication of the Transition Process**

1. The Cooperative must provide enrollees with appropriate notice regarding their transition process within a reasonable amount of time after providing a temporary supply of non-formulary Part D drugs. It is further understood that the Cooperative will ensure that reasonable efforts are made to notify prescribers of affected enrollees receiving a transition notice.
  - a. A written notice must be sent within 3 business days of adjudication of a temporary transition fill, via U.S. First Class mail, to each enrollee receiving a transition fills.
    - i. For enrollees in the LTC setting, dispensed multiple supplies of a Part D drug in increments of 14 day supplies, or less, consistent with the requirements under 42 CFR 423.154(a)(1)(i), the written notice must be provided within 3 business days after adjudication of the first temporary fill.
  - b. The notice must include the following elements(as per CMS Model Transition Notice via

	DEPARTMENT:	Utilization Management
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the file-and-use process or submit a non-model Transition Notice to CMS for marketing review):

- i. An explanation of the temporary nature of the transition supply an enrollee has received;
  - ii. Instructions for working with the plan sponsor and the enrollee's prescriber to satisfy utilization management requirements or to identify appropriate therapeutic alternatives that are on the plan's formulary;
  - iii. An explanation of the enrollee's right to request a formulary exception; and
  - iv. A description of the procedures for requesting a formulary exception.
2. Prior authorization and exception request forms are available to enrollees and physician/prescribers:
    - a. Upon request by mail, fax, and email
    - b. On the Cooperative's website
  3. This transition policy is available to enrollees through:
    - a. A Medicare Prescription Drug Plan Finder link to the Cooperative's website.
    - b. The transition policy is available to enrollees via link from Medicare Prescription Drug Plan Finder to sponsor web site and is included in pre-and post-enrollment marketing materials as directed by CMS.

Reference Sources:

Medicare Part D Manual, Chapter 6 – Part D Drugs and Formulary Requirements



APPROVED: \_\_\_\_\_

DATE: 7/31/2024

Formal policies and procedures require department manager review, approval and signature. Executive and/or administrative policies and procedures require CEO/General Manager review, approval and signature.

**REVISION HISTORY:**

Rev. Date	Revised By/Title	Summary of Revision
06/30/2021	Michele Bauer, MD, CMO	Reviewed. No revisions.
06/17/2022	Dakota Rau, PharmD	Reviewed. No revisions.
06/30/2023	Dakota Rau, PharmD	Reviewed. No revisions.
11/08/2023	Dakota Rau, PharmD	Annual Review. Updated PBP to 003.
03/07/2024	Dakota Rau, PharmD	Reviewed. No revisions.
07/22/2024	Dakota Rau, PharmD	Added information to satisfy attestation 7, 10, 14, and 16 per CMS guidance
07/31/2024	Dakota Rau, PharmD	Adjusted verbiage for attestation 14 per CMS guidance