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ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

DATE: 7/31/2012

TO: AHCCCS Contractor CEOs
AHCCCS Contractor Medical Directors
AHCCCS Contractor Pharmacy Directors
AHCCCS Contractor Compliance Officers

FROM: Suzi Berman, RPh, Director of Pharmacy

SUBJECT: Medicare Coverage of Benzodiazepine and Barbiturate Medications
Beginning January 1, 2013

AHCCCS' Dual Eligible Pharmacy Benefit Changes

AHCCCS Members who have both AHCCCS and Medicare coverage are referred to as "dual eligibles." Effective January 1, 2013, Medicare will cover benzodiazepines for any condition and barbiturates used for the treatment of epilepsy, cancer or chronic mental health conditions.

Therefore, with respect to dual eligible members, beginning January 1, 2013 AHCCCS and its Contractors, shall **not** reimburse prescription claims for barbiturates used for the treatment of epilepsy, cancer or chronic mental health conditions or benzodiazepines prescribed for any condition. However, AHCCCS will continue to cover barbiturates for dual eligibles when NOT used for treatment of epilepsy, cancer or chronic mental health conditions.

Background

Since the implementation of Medicare Part D in 2006, AHCCCS dual eligible members have been required to obtain prescription medications through their Medicare Part D Plan, with the exception of excluded drugs such as benzodiazepines, barbiturates and various OTC prescriptions, which continued to be reimbursed by AHCCCS and its Contractors. AHCCCS and its Contractors are prohibited from paying for these medications or the cost-sharing (coinsurance, deductibles, and copayments) for drugs available through Part D even if the member chooses not to enroll in the Part D plan.

Medicare Final Rule Information

The Center for Medicare and Medicaid Services published its final rule (*Federal Register, Vol. 77, pages 22072-22175, April 12, 2012*) regarding changes to Medicare Advantage and Part D prescription drug programs. The final rule includes the following statement (page 22091):

"Section 175 of the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) amended section 1860D-2(e)(2)(A) of the Act to include barbiturates "used in the treatment of epilepsy, cancer, or a chronic mental health disorder: and benzodiazepines. MIPPA further specified that these amendments apply to prescriptions dispensed on or after January 1, 2013. Accordingly, we proposed to revise the definition of a Part D drug at §423.100 to include barbiturates used for the three specified medical indications and benzodiazepines that are dispensed on or after January 1, 2013."

All Contractors are required to provide notice of this information to each affected member at least 30 days prior to this coverage change. When requests for barbiturate or benzodiazepine prescriptions are made by AHCCCS members, regardless of whether or not they are covered under the Medicare Part D Plan, Contractors are expected to evaluate such requests and render a coverage decision and include appeal rights if the request is not approved. It should be noted that after review of AHCCCS barbiturate claims data, there was minimal system wide use of barbiturates.

Additional information may be found on the AHCCCS website under “Pharmacy Information” at: <http://www.azahcccs.gov/commercial/pharmacyupdates.aspx>