# Division of Health Care Financing and Policy

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#### **MEMORANDUM**

TO: Committee to Conduct and Interim Study Concerning the Cost of Prescription Drugs

FROM: Beth Slamowitz, PharmD, Senior Policy Advisor on Pharmacy

DATE: June 23, 2020

SUBJECT: Nevada Medicaid Pharmacy Response to COVID-19

# Nevada Medicaid Pharmacy Program Response to COVID-19

Pharmacists are a key stakeholder, not only in the current pandemic crisis, but also in ensuring that the continuation of care post pandemic, as access points for care is critical to be successful in controlling this pandemic situation. In addition, pharmacists can play a significant role from a public health perspective regarding the impact of future vaccines when they become available and making sure that people will have the vaccine available.

It is essential that some of the changes and flexibilities allowed during the pandemic are retained post-pandemic and we leverage what we have learned about the importance of the access points for care and the value of the services that pharmacists provide. The clinical services, the access, and value that pharmacists provide are essential, and will continue to be perceived as essential to address this pandemic and future situation like this.

The following are actions that were put in place by Nevada Medicaid to address access to medications and potential treatments during the COVID-19 pandemic.

#### Refills

March 16, 2020 – Refill Threshold Decrease. Fee-for-Service (FFS) Medicaid implemented changes to allow a decrease in refill threshold from 80% to 50% for all non-controlled medications. A weekly utilization report has been provided to assist with tracking which medications are being refilled, how often, and by who. This report was initially provided and monitored on a weekly basis and is currently provided monthly. This update ensures that patients have increased access to maintenance medications and can limit trips to the pharmacy for non-controlled medications during the COVID-19 emergency.

# Hydroxychloroquine, Chloroquine, and Plaquenil Prescriptions

A diagnosis requirement was implemented at point-of-sale (POS) as an edit at the generic product identifier (GPI) level for hydroxychloroquine, Plaquenil and Chloroquine in order to limit treatment to only current Food and Drug Administration (FDA) approved indications of malaria, lupus, or rheumatoid arthritis. A system implementation was also done to update the day supply limit to 30 days for these drugs. The limitations placed on these medications ensure that these therapies are reserved for appropriate patient populations as approved by the FDA.

March 19, 2020 – Diagnosis Requirement on Hydroxychloroquine and Plaquenil prescriptions

March 20, 2020 – Diagnosis Requirement on Chloroquine prescriptions

March 24, 2020 – Update day supply limit to 30 days for Hydroxychloroquine, Chloroquine and Plaquenil

prescriptions

#### **Compounds for Hand Sanitizer**

A dynamic prior authorization was implemented to allow temporary overrides for certain alcohol-based compounded hand sanitizer products in response to COVID-19. This temporary override is authorized until the COVID-19 Emergency Declaration has been lifted by the Governor of the State of Nevada. This update allows pharmacies to compound certain alcohol-based hand sanitizer products in response to the COVID-19 emergency.

# April 3, 2020 - Priority Override Ch.1200 Compounded Medications PA Requirement ONLY for Hand Sanitizer

#### <u>Remdesivir</u>

Remdesivir was added to the drug exclusion list so that pharmacy point of sale (POS) and outpatient physician-administered drug (PAD) claims system will deny claims, based on an Emergency Use Authorization (EUA) released by the FDA that restricted use to the inpatient hospital setting and the manufacturer (Gilead Sciences) providing the medication free of charge.

# May 6, 2020 - COVID-19 Priority- Addition of Remdesivir to Drug Exclusion List

#### **Future Vaccines and Treatments**

Should a vaccine or treatment become available under an FDA emergency use agreement, or approval, Nevada Medicaid is prepared to implement any system changes needed to ensure accessibility.

# **Testing and Specimen Collection**

In an effort to address the need to increase the availability of COVID-19 testing, the Centers for Medicare and Medicaid Services (CMS) issued guidance notifying pharmacies and other Medicare-enrolled suppliers that they may temporarily enroll as independent clinical diagnostic laboratories during the COVID-19 public health emergency (PHE) so that they may bill Medicare for COVID-19 testing.

While CMS has made efforts to remove barriers to increased COVID-19 testing, hurdles to the expansion of COVID-19 testing through pharmacies still exist. CMS has relaxed Medicare and Medicaid coverage requirements to allow reimbursement for COVID-19 testing ordered by pharmacists, but in many jurisdictions, pharmacists do not have the authority to order or administer laboratory testing absent state action. Further, while large pharmacy chains might have the infrastructure necessary to bill Medicare and other third-party payors for COVID-19 testing, purchase testing equipment and supplies, and operate a CLIA laboratory, independent pharmacies and small chains may have difficulty doing so. It seems more likely that, at least in the near term, pharmacies will continue to collect specimens (which does not require Medicare enrollment or a CLIA certificate) and partner with independent laboratories for the performance of COVID-19 testing.

In early April, the U.S. Department of Health and Human Services (HHS) authorized licensed pharmacists to order and use COVID-19 tests approved by the FDA. By mid-May, about two-thirds of states had adjusted regulations for pharmacist-provided testing, but just a handful of pharmacies had managed to navigate the maze of federal, state, and supply chain practicalities.

The HHS has made clear that federal orders allowing pharmacists to order and administer FDA-authorized COVID-19 tests supersede state limits on scope of practice, and in at least one case has instructed a state pharmacy association to stop preventing pharmacists from testing for COVID-19. Now states are taking the baton, making widespread testing a possibility by creating pathways for pharmacists to bill for these services. Lack of avenues for payment has been a major barrier to increased access to COVID-19 testing at pharmacies.