

<b>ISSUE DATE</b> December 13, 2018	<b>EFFECTIVE DATE</b> December 17, 2018	<b>NUMBER</b> *See below
<b>SUBJECT</b>  Prior Authorization of Hypoglycemics, TZDs – Pharmacy Services	<b>BY</b>  Sally A. Kozak, Deputy Secretary Office of Medical Assistance Programs	

**IMPORTANT REMINDER:** All providers must revalidate the Medical Assistance (MA) enrollment of each service location every 5 years. Providers should log into PROMISe to check the revalidation dates of each service location and submit revalidation applications at least 60 days prior to the revalidation dates. Enrollment (revalidation) applications may be found at:  
[http://www.dhs.pa.gov/provider/promise/enrollmentinformation/S\\_001994](http://www.dhs.pa.gov/provider/promise/enrollmentinformation/S_001994).

## **PURPOSE:**

The purpose of this bulletin is to issue updated handbook pages that include the requirements for prior authorization and the type of information needed to evaluate the medical necessity of prescriptions for Hypoglycemics, TZDs submitted for prior authorization.

## **SCOPE:**

This bulletin applies to all licensed pharmacies and prescribers enrolled in the Medical Assistance (MA) Program and providing services in the fee-for-service delivery system. Providers rendering services under the MA managed care delivery system should address any questions related to Hypoglycemics, TZDs to the appropriate managed care organization.

## **BACKGROUND:**

The Department of Human Services' (DHS) Drug Utilization Review (DUR) Board meets semi-annually to review provider prescribing and dispensing practices for efficacy, safety, and quality and to recommend interventions for prescribers and pharmacists through the DHS Prospective Drug Use Review and Retrospective Drug Use Review programs.

*01-18-33	09-18-34	27-18-33	33-18-33
02-18-28	11-18-28	30-18-28	
03-18-29	14-18-29	31-18-34	
08-18-36	24-18-30	32-18-28	

COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:

The appropriate toll free number for your provider type

Visit the Office of Medical Assistance Programs Web site at  
<http://www.dhs.pa.gov/provider/healthcaremedicalassistance/index.htm>

**DISCUSSION:**

During the September 25, 2018, DUR Board meeting, the DUR Board recommended the following changes for Hypoglycemics, TZDs:

- Removal of multiple elements from the medical necessity guidelines based on the recommendations of multiple national treatment guidelines to individualize drug therapy and the lack of compelling medical literature and guidelines that definitively support the use of specific classes of hypoglycemics as second-line choices;
- Automating prior authorization of preferred agents in this class; and
- Removal of the grandfathering provision for pioglitazone. The DUR Board recommended that the determination of medical necessity of pioglitazone should be subject to, and consistent with, the same guidelines as other drugs within this class.

The proposed revisions to the guidelines to determine medical necessity, as recommended by the DUR Board, were subject to public review and comment, and subsequently approved for implementation by DHS.

**PROCEDURE:**

The procedures for prescribers to request prior authorization of Hypoglycemics, TZDs are located in SECTION I of the Prior Authorization of Pharmaceutical Services Handbook. DHS will take into account the elements specified in the clinical review guidelines (which are included in the provider handbook pages in the SECTION II chapter related to Hypoglycemics, TZDs) when reviewing the prior authorization request to determine medical necessity.

As set forth in 55 Pa. Code § 1101.67(a), the procedures described in the handbook pages must be followed to ensure appropriate and timely processing of prior authorization requests for drugs that require prior authorization.

**ATTACHMENTS:**

Prior Authorization of Pharmaceutical Services Handbook - Updated pages

SECTION II  
Hypoglycemics, TZDs

MEDICAL ASSISTANCE HANDBOOK  
PRIOR AUTHORIZATION OF PHARMACEUTICAL SERVICES

**I. Requirements for Prior Authorization of Hypoglycemics, TZDs**

**A. Prescriptions That Require Prior Authorization**

All prescriptions for Hypoglycemics, TZDs must be prior authorized.

1. See the Preferred Drug List (PDL) for the list of preferred and non-preferred Hypoglycemics, TZDs at: <https://papdl.com/preferred-drug-list>.
2. The list of drugs that are subject to quantity limits, with accompanying quantity limits, is available at: <http://www.dhs.pa.gov/provider/pharmacyservices/quantitylimitslist/index.htm>.

**B. Review of Documentation for Medical Necessity**

In evaluating a request for prior authorization of a prescription for a preferred or non-preferred Hypoglycemics, TZD, the determination of whether the requested prescription is medically necessary will take into account whether the beneficiary:

1. Has a diagnosis of type 2 diabetes mellitus

**AND**

2. Has a documented history of:
  - a. Failure to achieve glycemic control as evidenced by the beneficiary's HbA1c values using maximum tolerated doses of metformin

**OR**

- b. A contraindication or intolerance to metformin.

**AND**

3. For a non-preferred Hypoglycemics, TZD, has a documented history of therapeutic failure, contraindication, or intolerance of the preferred Hypoglycemics, TZDs

**AND**

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4. If a prescription for a Hypoglycemics, TZD is in a quantity that exceeds the quantity limit, the determination of whether the prescription is medically necessary will also take into account the guidelines set forth in the Quantity Limits Chapter.

NOTE: If the beneficiary does not meet the clinical review guidelines listed above but, in the professional judgment of the physician reviewer, the services are medically necessary to meet the medical needs of the beneficiary, the request for prior authorization will be approved.

C. Automated Prior Authorization

Prior authorization of a prescription for a preferred Hypoglycemics, TZD with a prescribed quantity that does not exceed the quantity limit will be automatically approved when the Point-of-Sale On-Line Claims Adjudication System verifies a record of a paid claim(s) within 90 days of the date of service that documents that the guidelines to determine medical necessity listed in Section B. have been met.

D. Clinical Review Process

Prior authorization personnel will review the request for prior authorization and apply the clinical guidelines in Section B. above to assess the medical necessity of a prescription for a Hypoglycemics, TZD. If the guidelines in Section B. are met, the reviewer will prior authorize the prescription. If the guidelines are not met, the prior authorization request will be referred to a physician reviewer for a medical necessity determination. Such a request for prior authorization will be approved when, in the professional judgment of the physician reviewer, the service is medically necessary to meet the medical needs of the beneficiary.

E. References

1. American Diabetes Association. Pharmacologic approaches to glycemic treatment. Sec. 8. In Standards of Medical Care in Diabetes – 2018. Diabetes Care. 2018;41(Suppl. 1):S73-S85.  
<https://doi.org/10.2337/dc18-S008>.
2. American Diabetes Association. Cardiovascular disease and risk management. Sec. 9. In Standards of Medical Care in Diabetes – 2018. Diabetes Care. 2018;41(Suppl. 1):S86-S104.  
<https://doi.org/10.2337/dc18-S009>.
3. Garber AJ, Abrahamson MJ, Barzilay JI, et al. Consensus statement by the American Association of Clinical Endocrinologists and American College of Endocrinology on the comprehensive type 2

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diabetes management algorithm – 2017 executive summary. *Endocr Pract.* 2017;23(2):207-238.

4. McCulloch DK. Initial management of blood glucose in adults with type 2 diabetes mellitus. In: UpToDate [internet database]. Nathan DM, Mulder JE, eds. Waltham, MA: UpToDate. Revised October 18, 2017. Accessed January 24, 2018.