



CABINET FOR HEALTH AND FAMILY SERVICES  
OFFICE OF THE SECRETARY

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Mark D. Birdwhistell  
Secretary

February 24, 2006

**RE: 4 Prescription Drug Limit Policy Clarification**

Dear Provider:

This letter provides clarification to the 4 Prescription Drug Limit Policy provider letter issued February 9, 2006. Through regulatory authority provided in 907 KAR 1:019E. Outpatient Pharmacy Program, the Kentucky Department for Medicaid Services will **institute a 4 prescription drug limit (per member/ per rolling calendar month), with a point of sale override process, effective March 1, 2006.**

**4 Prescription Drug Limit**

**Categorical Exceptions:**

- **Children (0 to the date of 19th birthday)**
- **Nursing Facility residents that are not Part D eligible**

**Drug Class Exceptions: Insulin**

**Monthly Prescription Drug Limit Override Code Criteria**

Pharmacy providers will be notified at the point of sale, through hard messaging, when a member has exceeded the 4 prescription drug limit. Subject to the following guidelines, the pharmacist may utilize the 4 prescription limit override submission clarification code "07" (entered into NCPDP Field #420-DK) to complete the processing of the claim. When encountered with a prescription for a member that does not meet the following guidelines, the pharmacist should communicate with the treating prescriber to evaluate the medical necessity of the treatment or initiate the prior authorization process through the First Health clinical call center.

- *Current prior authorization, dosage, duplicate therapy, and ICD-9 requirements apply in addition to the 4 prescription drug limit.*
  - Pharmacists can utilize the point of sale 4 prescription limit pharmacy claim override "07" when:
    - The member's monthly 4 prescription limit has been exceeded, **and**
    - The member's prescription is for a drug that has an FDA indication to treat one of the following medical conditions **or**
    - The prescription, in the pharmacist's professional judgment, is for a life threatening medical condition that, **if not dispensed**, could result in hospitalization or place the member in jeopardy.



**Conditions Meeting 4 Prescription Override Criteria**

1. Acute therapy for migraine headaches/acute pain
2. Acute infections/infestations
3. Bipolar disorders
4. Cancer
5. Cardiac rhythm disorders
6. Chronic pain
7. Coronary artery/cerebrovascular disease (advanced artherosclerotic disease)
8. Cystic fibrosis
9. Dementia
10. Diabetes
11. End stage lung disease
12. End stage renal disease (ESRD)
13. Epilepsy
14. Hemophilia
15. HIV/AIDS/Immunocompromised
16. Hyperlipidemia
17. Hypertension
18. Major depression
19. Metabolic syndrome
20. Organ transplant
21. Psychotic disorders
22. Schizophrenic disorders
23. Schizotypal personality disorders
24. Suppressive therapy for thyroid cancer
25. Terminal stage of an illness

The number of claims processed with the 4 prescription drug limit submission clarification code "07" will be retrospectively reviewed between March 1, 2006 and May 1, 2006. This data will be utilized to determine the need for hard denials that will require fax prior authorization requests through the First Health clinical call center. *After May 1, 2006, pharmacy providers that demonstrate excessive and inappropriate use of this override mechanism will be subject to audit and may be responsible for the repayment of funds to Kentucky Medicaid. "Inappropriate use" is use that does not meet the guidelines as defined. "Excessive" is defined statistically as two standard deviations outside the mean number of claims per pharmacy provider overridden with the submission clarification code of "07."*

Medicaid's web site at <https://kentucky.fhsc.com/pharmacy/default.asp> provides information about the Medicaid Pharmacy Program and related topics such as the preferred drug list, pharmacy provider letters, Pharmacy and Therapeutics Committee meetings and recommendations.

Sincerely,



Shannon R. Turner, J.D.  
Commissioner