



# SmartPA Criteria Proposal

<b>Drug/Drug Class:</b>	Manufacturers Requiring Prior Authorization Fiscal Edit
<b>First Implementation Date:</b>	June 2, 2022
<b>Revised Date:</b>	November 30, 2023
<b>Prepared for:</b>	MO HealthNet
<b>Prepared by:</b>	MO HealthNet/Conduent
<b>Criteria Status:</b>	<input type="checkbox"/> Existing Criteria <input checked="" type="checkbox"/> Revision of Existing Criteria <input type="checkbox"/> New Criteria

## Executive Summary

**Purpose:** To control expenditures on products manufactured by pharmaceutical manufacturers that do not pay their required statutory rebates.

**Why Issue Selected:** State Medicaid programs rely on drug manufacturers to pay their required statutory rebates in order to help offset costs, resulting in lower net costs to the State Medicaid program and taxpayers. When manufacturers delay or fail to pay these required statutory rebates the net cost of medications increases. In order to ensure MO HealthNet is not paying higher net costs for drugs, a Prior Authorization will be required on products from manufacturers who show a pattern of delaying or failing to pay statutory rebates in the timeframe outlined in 42 U.S.C. 1396r-8.

**Type of Criteria:**  Increased risk of ADE  Preferred Drug List  
 Appropriate Indications  Fiscal Edit

**Data Sources:**  Only Administrative Databases  Databases + Prescriber-Supplied

## Setting & Population

- Drug class for review: all agents from manufacturers requiring prior authorization
- Age range: All appropriate MO HealthNet participants

## Approval Criteria

- Therapy will be approved if all denial criteria are not met

## Denial Criteria

- Claim is for an agent from a manufacturer requiring prior authorization

Labeler Code	Manufacturer
72647	Oakrum Pharma
71930	Eywa Pharma Inc
69367	Westminster Pharmaceuticals, LLC

## Required Documentation

Laboratory Results:   
MedWatch Form:

Progress Notes:   
Other:

## Disposition of Edit

Denial: Exception code "0213" (Prior Authorization Required But Not Found)  
Rule Type: N

## Default Approval Period

3 months

## References

- Payment for covered outpatient drugs. 42 U.S.C. 1396r-8