

# Michigan Department of Health and Human Services Bulletin on Single Preferred Drug Lists



AUGUST 2020

MICHIGAN

Dear Providers,

MeridianHealth (Meridian) would like to inform you of the upcoming pharmacy benefit changes due to take place on October 1, 2020. The Michigan Department of Health and Human Services (MDHHS) has published the Medical Services Administration Bulletin 20-51 (MSA 20-51), which describes the implementation of a Single Preferred Drug List (SPDL). The October 1, 2020 date aligns with the coverage of PDL drug products under managed care with Fee-For-Service (FFS). This policy change only affects your Medicaid patients, specifically those who are part of the following state Medicaid programs: Medicaid, Healthy Michigan Plan, Children's Special Health Care Services (CSHCS), and Maternity Outpatient Medical Services (MOMS). The SPDL will not change the products on the Medicaid Health Plans (MHP) pharmacy carve-out list. The Michigan PDL can be found at [michigan.magellanrx.com](http://michigan.magellanrx.com).

Use of the SPDL will:

- Align coverage of PDL products under managed care with fee-for-service
- Increase MDHHS drug manufacturer rebate revenues
- Streamline pharmacy coverage for program beneficiaries and prescribers
- Be fully implemented by October 1, 2020

MDHHS expects this change to be fully implemented by October 1, 2020. An advanced notice period will allow time to transition coverage of beneficiaries established on PDL non-preferred products or PDL preferred products that require prior authorization when clinically appropriate. Prior Authorization coverage of PDL Non-Preferred products on or after October 1, 2020 will be done on a case-by-case basis as per medical necessity.

Important Updates:

- Products on Meridian's pharmacy carve-out list will not be changed on the SPDL. These will continue to be billed as an FFS pharmacy benefit
- Meridian pharmacy coverage, including products on the SPDL, will remain under the Managed Care Organization (MCO) Common Formulary. More details can be found here: [www.michigan.gov/MCOPharmacy](http://www.michigan.gov/MCOPharmacy)
- Products not on the SPDL could be covered differently by Meridian under the Common Formulary compared to FFS
- Meridian will have a process in place to consider coverage of any product on the Michigan Pharmaceutical Product List (MPPL) if deemed medically necessary

Sincerely,

Meridian