

Pharmacy Carve-Out: The following charts provide additional context and information related to the Department’s implementation of the Pharmacy Carve-Out from managed care to fee-for-service (FFS), effective April 1, 2021.

CHART #1

This chart provides a snapshot of what is changing and what is not in relation to pharmacy services in New York Medicaid’s two delivery systems, managed care and FFS, in the current state (pre-transition) and future state (post-transition).

| Pharmacy Services | Current State (Pre-Transition) | Future State (Post-Transition) |
|--|---|---|
| Managed Care Delivery System | | |
| <ul style="list-style-type: none"> Pharmacy benefits that are billed on pharmacy claims. | <ul style="list-style-type: none"> Managed Care Plans (MCPs) are responsible for providing these benefits, and this is built into the capitated payment. | <ul style="list-style-type: none"> MCPs will no longer be responsible for those items identified in Chart #2 as being subject to the FFS carve-out; these benefits will be removed from the capitated payment. These claims will be processed under FFS and paid through the eMedNY system. |
| <ul style="list-style-type: none"> Pharmacy benefits that are billed on medical and institutional claims. | <ul style="list-style-type: none"> Managed Care Plans (MCPs) are responsible for providing these benefits, and this is built into the capitated payment. | <ul style="list-style-type: none"> No change. |
| FFS Delivery System | | |
| <ul style="list-style-type: none"> Pharmacy benefits that are billed on pharmacy claims. | <ul style="list-style-type: none"> Are processed and adjudicated through eMedNY. | <ul style="list-style-type: none"> These claims will be processed under FFS and paid through the eMedNY system |
| <ul style="list-style-type: none"> Pharmacy benefits that are billed on medical and institutional claims. | <ul style="list-style-type: none"> Are processed and adjudicated through eMedNY. | <ul style="list-style-type: none"> No change. |

CHART #2

This chart provides an inventory of the NYS Medicaid’s outpatient pharmacy benefit, and whether the benefit is subject to the carve-out and whether the managed care plans should also continue to make the benefit available when provided by a non-pharmacy provider.

| Pharmacy Benefit Category | Sub-Category | Subject to the FFS Carve-Out? (Yes, No) | MCPs to make available when billed as a medical or institutional claim? (e.g. outpatient hospital, clinic, physician’s office) * |
|--|--|--|---|
| Outpatient Prescription Drugs <i>included in</i> the Medicaid Pharmacy List of Reimbursable Drugs . (Includes Clotting Factor) | N/A | Yes | Yes ([for drugs that are also practitioner/physician administered (i.e. J-Codes)]) |
| Practitioner/Physician Administered Drugs that are not included in the Medicaid Pharmacy List of Reimbursable Drugs . | N/A | No | Yes |
| Outpatient Over the Counter (OTC) Drugs <i>included in</i> the Medicaid Pharmacy List of Reimbursable Drugs . | N/A | Yes | No |
| Vaccines that can be administered by pharmacists ** | N/A | Yes | Yes |
| COVID-19 Diagnostic Testing & Specimen Collection | N/A | Yes | Yes |
| Enteral & Parenteral Nutrition | Enteral Nutrition Formula | Yes | No |
| | Enteral Feeding Supply Kit | Yes | No |
| Family Planning | Condoms | Yes | No |
| Medical/Surgical Supplies | Incontinence Care – Under Pads, Diapers, Liners | Yes | No |
| | Adhesive Tape/Remover | Yes | No |
| | Antiseptics | Yes | No |
| | Breast Pumps | Yes | No |
| | Blood Pressure Monitors | Yes | No |
| | Canes/Crutches | Yes | No |
| | Diabetic Supplies | Yes | No |
| | Mastectomy Care | Yes | No |
| | Respiratory/Tracheostomy Care | Yes | No |
| | Drainage Bags and Urethral Clamps | Yes | No |
| | Ostomy | Yes | No |
| | Wound Dressings | Yes | No |
| Miscellaneous | Syringes | Yes | No |
| | Gloves | Yes | No |
| | Heat Application/Thermometers/Cold Wraps | Yes | No |
| | Surgical Stockings, Slings, Splints, Cervical Foam Collars | Yes | No |
| Hearing Aid Batteries | N/A | Yes | No |

* For benefits marked as Yes, MCPs will continue to pay for these benefits for their members when they are not billed by pharmacies.

** New York State Education laws § 6527, 6801, and 6909 permit licensed pharmacists, who obtain an additional certification, to administer influenza vaccine to children between the ages of 2 and 18 years of age and to adults 18 years of age and older, and to administer pneumococcal, meningococcal, tetanus, diphtheria, pertussis and herpes zoster vaccinations to adults 18 years of age and older.