



Pharmacy Carve-Out: Transition & Communication Activities

The following charts provides additional context and information related to the New York State Department of Health's (NYS DOH) transition and communication activities for the pharmacy benefit transition from Managed Care (MC) to Fee-For-Service (FFS), effective April 1, 2023.



Chart #1: Transition Activities

Who	What	When	Notes
NYS DOH	Formulary & Eligibility Compliance Report	By 9/30/2022	Plan specific reports detailing non-compliance of formulary coverage and eligibility.
Managed Care Plans	Formulary & Eligibility Compliance Review	10/1/2022	Plans should complete review of non-compliance for formulary and eligibility to ensure actions are taken to address (mitigate) non-compliance, per the last data file provided by NYS DOH. Plans should continue to review their coverage of formulary and eligibility compliance on a regular basis.
Managed Care Plans	Last Submission of Prescriber Prevals Prior Authorization Activity to NYS DOH	10/20/2022	Includes Prior Authorizations through 9/30/2022.
NYS DOH	Final review of plan submitted formulary files & feedback	11/24/2022	Review of MCP submitted formulary information and feedback.
Managed Care Plans	Submit test files of approved Prior Authorizations (PA).	TBD – Completion Targeted Early November 2022	Submit test files to NYS DOH in accordance with testing guidance shared with the Medicaid Managed Care Plans.

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Who	What	When	Notes
Managed Care Plans	Submit Approved Prior Authorizations (PAs) to NYS DOH	<ul style="list-style-type: none"> a. January 2023 b. March 2023 c. April 2023 	<p>PAs will be honored after the transition.</p> <ul style="list-style-type: none"> a. Initial file submission b. 1st “Catch-Up” File Submission – New Additions c. 2nd “Catch-Up” File Submission – New Additions
NYS DOH	Load Approved Clinical Medicaid Managed Care Prior Authorizations (PAs)	<ul style="list-style-type: none"> a. February 2023 b. March 2023 c. April 2023 	<p>Prior Authorizations approved by Medicaid Managed Care plans will be honored after the transition.</p> <ul style="list-style-type: none"> a. Initial File Submission b. 1st “Catch-Up” File Submission c. 2nd “Catch-Up” File Submission
Managed Care Plans	Formulary file freeze	12/31/2022	<p>No changes to be made for <i>on formulary/off- formulary status</i>. Other maintenance such as adding new drugs, criteria changes due to FDA labeling changes would continue.</p>
NYS DOH	Formulary file freeze	12/31/2022	<p>No changes to be made for <i>preferred/non-preferred status</i>. Other maintenance such as adding new drugs, criteria changes due to FDA labeling changes would continue.</p>
Managed Care Plans	Formulary file submission to NYS DOH	1/6/2023	<p>Includes changes/updates as of as of 12/31/2022, in order to update the Medicaid Managed Care Pharmacy Benefit Information Center.</p>
Managed Care Plans	Confirm system readiness for claim denials	1/14/2023	<p>Ensure Managed Care Plan systems are updated to deny pharmacy claims effective 4/1/2023 with standard NYS DOH approved messaging.</p>
Managed Care Plans	Pharmacy (NCPDP) Claim Encounter Submissions	Ongoing, for service dates through 3/31/2023.	<p>Ensure that encounters are submitted daily, not more than 1 business day from the date of adjudication of the corresponding claim. In conformance with Plan’s PBM agreement.</p>

Who	What	When	Notes
NYS DOH	Outpatient Pharmacy Per Member Per Month (PMPM) Payments to plans	End 3/31/2023, except for retroactive adjustments	Plans may initiate retroactive adjustments when: <ul style="list-style-type: none"> there was active enrollment prior to 4/1/23 that had not been previously billed for, or a plan billed for a member prior to 4/1/23, for which there was not active enrollment. In this case, the plan would reverse the capitation claim in a subsequent period.
Managed Care Plans	Member Material Changes	By 4/1/2023	Make necessary changes to member materials and ID Cards.
NYS DOH	Outpatient pharmacy inquiries received by the Plans	Beginning 4/1/2023	NYS DOH has provided the process to refer inquiries to NYS DOH, to the Managed Care Plans.
NYS DOH	Collaborative DUR	Continuing After 4/1/2023	Provide DUR information and other related reports that will assist plans with medication adherence and/or disease management programs.
NYS DOH	Transition Period	4/1/2023 -6/30/2023	The Department has established a transition period of a minimum of 90 days from April 1, 2023, through June 30, 2023. This is to ensure that members can obtain medications through FFS, that had been previously covered by their Medicaid Managed Care Plan without going through prior authorization. During the transition period, members will be provided with a one-time, temporary fill for drugs that require prior authorization under the FFS program (e.g., non-preferred products).
NYS DOH	Deliver daily claims test files to plans	TBD	Deliver test files to Medicaid Managed Care Plans in accordance with the Interface Control Document specifications (ICD) and technical needs. Proposed schedule: <ol style="list-style-type: none"> Form & Fit File Test File #1 Test File #2

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Who	What	When	Notes
NYS DOH	Daily Claims File	Beginning 4/2/2023	NYSDOH begins delivering daily claims files (including paid, denied and reversed) to the Managed Care Plans.
Managed Care Plans	Pharmacy Benefit Manager Quarterly Report	Quarter 2, 2023	Submit quarterly Pharmacy Benefit Manager report for Quarter 1 2023. Note: This will be the last quarterly PBM report submitted by MCPs.
NYS DOH	On-Demand Reports	TBD	NYSDOH begins delivering agreed on-demand reports to the Managed Care Plans.
Managed Care Plans	Provider Network Data Set (PNDS) File Submission – Quarter 1	TBD	Submit Quarter 1 PNDS data to NYS DOH including pharmacy network data. Note: Future PNDS data submissions (Quarter 2 and thereafter) to NYS DOH should exclude pharmacy network data.
Managed Care Plans	Claims submission deadline	Per Plan’s agreement with their PBM	The last day that Managed Care Plans will pay claims for service dates prior to 4/1/2023.
Managed Care Plans	Physician Administered Claim Encounter Submissions	N/A	Physician administered drugs, when billed as an institutional or medical claim, will continue to be provided by the Managed Care Plans and claim encounters will continue to be submitted to NYS DOH.
Managed Care Plans	DUR Reports	N/A	DUR survey for 2023 - Due to CMS by 6/30/2023. The reporting period is 10/1/2021 – 9/30/2022. DUR survey for 2024 - the reporting period is 10/1/2022-9/30/2023 (Only member data through 3/31/2023). Physician administered drug information will continue to be required post transition.



Chart #2: Communication Activities

Who	What	When	Notes
NYS DOH	Website Updates: <ul style="list-style-type: none"> • MC Pharmacy Benefit Information Website • NYS DOH Website • eMedNY • Preferred Drug Program 	6/30/2022 -6/30/2023	Make relevant website updates such as: <ul style="list-style-type: none"> • Notification of transition (e.g., a banner) • How to find the Medicaid Client Identification Number (CIN) on the Managed Care Plan ID card. • Links to relevant Medicaid Update articles
NYS DOH	Medicaid Update and Email Blast	11/14/2022	Initial Medicaid Update Article published.
Managed Care Plans	Non-FFS-Enrolled Provider Communication	November 2022	Managed Care Plans will send targeted communications regarding the need to enroll in Fee-For-Service (FFS) effective 4/1/2023 to non-enrolled in-network and out-of-network providers (pharmacies, prescribers, and Durable Medical Equipment (DME)).
NYS DOH	Non-FFS-Enrolled Provider Communication	December 2022	NYS DOH will send targeted communications regarding the need to enroll in Fee-For-Service (FFS) effective 4/1/2023 to non-enrolled providers (pharmacies, prescribers, and Durable Medical Equipment (DME)).
NYS DOH	Plan Notice of Benefit Change	By 12/31/2022	Pursuant to Section 4.3 of the Medicaid Managed Care/Family Health Plus/HIV Special Needs Plan/Health and Recovery Model Contract , Modification of the Benefit Package Services, the Department of Health (Department) must provide Plans at least 60 days advance notice of modifications to the benefit package.
NYS DOH	Medicaid Update	2/1/2023	Second Medicaid Update Article published.

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Who	What	When	Notes
Managed Care Plans	Member Notice of Change	2/1/2023-2/28/2023	Mail Member Notice of Change per assigned mailing schedule provided by NYS DOH. The Member Notice of Change informs members of the change and that they can use their plan ID Card or their Medicaid Card to access pharmacy services
Managed Care Plans	Website Updates	2/1/2023 – 3/31/2023	Make relevant website updates.
NYS DOH	Update applicable system generated member notices.	TBD	<p>Conduct appropriate updates to the system generated notices that provide a description of the pharmacy benefit.</p> <ul style="list-style-type: none"> a. NYSOH Member Eligibility Notices for members who enroll in Medicaid via the NYSOH. b. Client Notice Subsystem Medicaid Acceptance Notices for members who enroll in Medicaid via their Local Department of Social Services (LDSS) <p>For more information on where a member should enroll (NYSOH or LDSS) please review the FAQ “<i>How do I apply for Medicaid?</i>” within the General Medicaid FAQs section of the Medicaid in New York State website.</p>
NYS DOH	Custom provider notifications	By 3/1/2023	Prescribers (high-volume) and pharmacies (Brand Less Than Generic) will be notified of their patients that are on non-preferred products.
Managed Care Plans	Claims Denial Messaging	Effective 4/1/2023	Implement claim denial messaging that notifies pharmacies to submit claims to the FFS program.