



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 of the Pharmacy Carve-Out from Managed Care (MC) to Fee-For-Service (FFS), effective April 1, 2021.



Chart #1: Transition Activities

Who	What	When	Notes
Managed Care Plans	Submission of Prescriber Prevails Prior Authorization Activity to NYS DOH	✓ 7/23/2020	Includes Prior Authorizations through 6/30/2020.
NYS DOH	Final review of plan submitted formulary files & feedback	✓ 8/27/2020	
Managed Care Plans	Audit - Non-Covered Products	✓ 10/1/2020	Plans should complete review/audit of non-covered products (e.g. non rebate signers) and ensure they are not covered as of 10/1/2020, per the last data file provided by NYS DOH on 7/31/2020. The Department will continue to run data and provide updated files on a regular basis (minimum quarterly).
Managed Care Plans	Submit test files of approved Prior Authorizations (PA).	12/11/2020	Submit test files to NYS DOH in accordance with testing guidance shared with the Medicaid Managed Care Plans.
Managed Care Plans	Formulary file freeze	12/31/2020	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.
NYS DOH	Formulary file freeze	12/31/2020	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.


Who	What	When	Notes
NYS DOH	Submit Report to MCOs related to Erectile/Sexual Dysfunction Drugs and Sex Offender Registry.	By 12/31/2020	Last timeframe reported out will be Quarter 2 of Calendar Year (CY) 2020.
Managed Care Plans	Formulary file submission to NYS DOH	1/5/2021	Includes changes/updates as of as of 12/31/2020, in order to update the Medicaid Managed Care Pharmacy Benefit Information Center.
NYS DOH	Deliver daily claims test files to plans	By 1/8/2021	Deliver test files to Medicaid Managed Care Plans in accordance with the Interface Control Document specifications (ICD).
Managed Care Plans	Submit Approved Prior Authorizations (PAs) to NYS DOH	a. 1/22/2021 b. 3/1/2021 c. 4/3/2021	PAs will be honored after the transition. a. Initial file submission b. 1 st "Catch-Up" File Submission c. 2 nd "Catch-Up" File Submission
Managed Care Plans	Confirm system readiness for claim denials	3/1/2021	Ensure Managed Care Plan systems are ready to deny pharmacy claims effective 4/1/2021.
Managed Care Plans	Pharmacy (NCPDP) Claim Encounter Submissions	Ongoing, for service dates through 3/31/2021.	Ensure that encounters are submitted daily, not more than 1 business day from the date of adjudication of the corresponding claim.
NYS DOH	Outpatient Pharmacy Per Member Per Month (PMPM) Payments to plans	End 3/31/2021, except for retroactive adjustments	Plans may initiate retroactive adjustments when: <ul style="list-style-type: none"> there was active enrollment prior to 4/1/21 that had not been previously billed for, or a plan billed for a member prior to 4/1/21, for which there was not active enrollment. In this case, the plan would reverse the capitation claim in a subsequent period.


Who	What	When	Notes
NYS DOH	Load Approved Medicaid Managed Care Prior Authorizations (PAs)	TBD	Prior Authorizations approved by Medicaid Managed Care Plans will be honored after the transition. 1 st File Loaded: TBD 2 nd "Catch Up" File Loaded: TBD
Managed Care Plans	Member Material Changes	By 4/1/2021	Make necessary changes to member materials and ID Cards.
NYS DOH	Outpatient pharmacy inquiries received by the Plans	Beginning 4/1/2021	NYS DOH to provide proposed process to the Managed Care Plans.
NYS DOH	Collaborative DUR	Continuing After 4/1/2021	Provide DUR information and other related reports that will assist plans with medication adherence and/or disease management programs.
NYS DOH	Transition Period	4/1/2021 -6/30/2021	The Department has established a transition period of April 1, 2021 through June 30, 2021. 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 drugs).
NYS DOH	On-Demand Reports	TBD	Begin provision of top priority on-demand reports.
NYS DOH	Daily Claims File	Beginning 4/2/2021	NYSDOH begins delivering daily claims files (including paid, denied and reversed) to the Managed Care Plans.

Who	What	When	Notes
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 4/1/2021.
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 2021- Due 7/1/2021 , unless CMS delays it for some reason. (It was delayed to 9/30/2020 this year because of COVID.) The reporting period is 10/1/2019 – 11/30/2020. DUR survey for 2022 - the reporting period is 10/1/2020-11/30/2021 (So only member data through 3/31/2021). Physician administered drug information will continue to be required post carve-out.



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 	11/1/2020 -6/30/2021	Make relevant website updates such as: <ul style="list-style-type: none"> • Notification of carve-out (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	 11/2/2020	Informs pharmacies, prescribers and Durable Medical Equipment (DME) Providers that are not enrolled in Medicaid Fee-For-Service (FFS), of the need to enroll, to continue to serve Medicaid Managed Care members effective 4/1/2021.
NYS DOH	Non-FFS-Enrolled Provider Communication	12/7/2020 – 4/1/2020	NYS DOH will send targeted communications regarding the need to enroll in Fee-For-Service (FFS) effective 4/1/2021 to non-enrolled providers (pharmacies, prescribers, and Durable Medical Equipment (DME)).
Managed Care Plans	Non-FFS-Enrolled Provider Communication	12/7/2020 – 4/1/2020	Managed Care Plans will send targeted communications regarding the need to enroll in Fee-For-Service (FFS) effective 4/1/2021 to non-enrolled in-network and out-of-network providers (pharmacies, prescribers, and Durable Medical Equipment (DME)).
NYS DOH	Medicaid Update	12/31/2020	Initial Medicaid Update Article published.
NYS DOH	Medicaid Update	2/28/2021	Second Medicaid Update Article published.

Who	What	When	Notes
NYS DOH	Prescriber Outreach	2/1/2021-4/1/2021	Conduct prescriber outreach activities targeted to inform high volume prescribers of non-preferred products and actions that can be taken to smooth the transition (e.g. change to a preferred product or seek prior authorization).
NYS DOH	CBIC Card Carrier Language Update	Effective 2/1/2021	Update Client Benefit Identification Card (CBIC) card carrier language to include applicable information for the pharmacy carve-out.
NYS DOH	Update NYSOH plan benefit summary information.	 No Changes Required	Conduct appropriate updates to the NYSOH enrollment screens that provide a description of the pharmacy benefit.
Managed Care Plans	Member Notice of Change	2/1/2021 – 2/28/2021	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	2/1/2021 – 3/31/2021	Make relevant website updates.
Managed Care Plans	Claims Denial Messaging	Effective 4/1/2021	Implement claim denial messaging that notifies pharmacies to submit claims to the FFS program.
NYS DOH	Custom member and/or prescriber notifications	4/1/2021 -6/30/2021	Prescribers and members will be notified of their patients that are on non-preferred drugs. Guidance will be provided to inform of the one-time transitional fill, alternative drugs, and the prior authorization process.