

## POLICY AND PROCEDURE

<b>DEPARTMENT:</b> Pharmacy	<b>DOCUMENT NAME:</b> Maximum Allowable Cost (MAC) Pricing Requirements
<b>PAGE:</b> 1 of 2	<b>REPLACES DOCUMENT:</b>
<b>APPROVED DATE:</b> 07/ 2017	<b>RETIRED:</b>
<b>EFFECTIVE DATE:</b> 07/17	<b>REVIEWED/REVISED:</b>
<b>PRODUCT TYPE:</b> ALL	<b>REFERENCE NUMBER:</b> GA.PHAR.21

**SCOPE:** Peach State Health Plan Pharmacy Department, Contracted Pharmacy Benefits Manager (PBM)

**PURPOSE:** To ensure that the Maximum Allowable Cost (MAC) prices, look-up availability, and appeal process comply with the rules and regulations set forth by the Federal government, the state of Georgia, and the Contract between Georgia Department of Community Health and Peach State Health Plan for provision of services to Georgia Families.

**POLICY:** It is the policy of Peach State Health Plan that the contracted Pharmacy Benefits Manager (PBM), Envolve Pharmacy Solutions, and their subcontractors comply with state and federal laws, including but not limited to GA House Bill 244 [MAC Transparency Act], as well as current Georgia Medicaid contract.

### PROCEDURE:

- 1) The PBM shall ensure the MAC pricing schedule is evaluated for pricing appropriateness and updated as appropriate no less frequently than every two (2) weeks [2017 GA Contract 4.6.6.1]
  - a) Appropriateness of pricing;
  - b) MAC pricing schedule does not create a barrier to access to the medication;
  - c) Each medication represented on the MAC schedule has at least two (2) A• rated generic equivalents available in the Georgia marketplace;
  - d) The PBM shall follow their Policy & Procedure EPS.FIN.24 {MAC Pricing Application and Removal Policy}
- 2) The MAC pricing schedule must be posted on the PBM/ Pharmacy access website. [2017 GA Contract 4.6.6.1]
  - a) All contracted pharmacies have access to the CVS/Caremark MAC Lookup Tool found on the secure provider portal at <https://rxservices.cvscaremark.com/>
  - b) The link to the above lookup tool is also located on the Peach State Health Plan website on the Pharmacy page
  - c) Contracts with network pharmacies shall include and disclose the sources used to determine MAC pricing [HB 244 Section 2(b){A}(ii)]
- 3) The PBM must make available an inquiry and appeal process for Provider disputes over the MAC schedule or individual drugs subject to the MAC pricing with all inquiries and appeals being addressed within five (5) calendar days of the receipt of the Provider inquiry or appeal. [2017 GA Contract 4.6.6.1]

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- a) PBM shall follow their Policy & Procedure EPS.FIN21 (MAC Pricing Appeal Review Procedures

### REFERENCES:

- Georgia H.R. 244: MAC Transparency Act [<https://www.gpo.gov/fdsys/pkg/BILLS-114hr244ih/pdf/BILLS-114hr244ih.pdf>]
- Contract between Georgia Department of Community Health and Peach State Health Plan for provision of services to Georgia Families
- Policy and Procedure EPS.FIN.21
- Policy and Procedure EPS.FIN.24

**DEFINITIONS:** N/A

**ATTACHMENTS:** N/A

REVISIONS	DATE
New policy created	07/2017

## POLICY AND PROCEDURE APPROVAL

Pharmacy & Therapeutics Committee:	Approval on file
Sr. Director, Pharmacy Operations:	Approval on file
Sr. Medical Director:	Approval on file

*NOTE: The electronic approval is retained in Compliance 360.*