

POLICY AND PROCEDURE

DEPARTMENT: Pharmacy	REFERENCE NUMBER: GA.PHAR.21
EFFECTIVE DATE: 7/17	POLICY NAME: MAXIMUM ALLOWABLE COST (MAC) REQUIREMENT
REVIEWED/REVISED DATE: 07/2018, 2/2019, 7/2019, 7/2020, 10/2020, 7/2021	RETIRED: N/A
PRODUCT TYPE: Medicaid	PAGE: 1 of 2

SCOPE: Peach State Health Plan Pharmacy Department, Contracted Pharmacy Benefit 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 **[GF 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. **[GF4.6.6.1]**
 - 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. **[GF 4.6.6.1]**

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- a) PBM shall follow their Policy & Procedure EPS.FIN.21 (MAC Pricing Inquiry Review Procedure)

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

ATTACHMENTS: N/A

DEFINITIONS: N/A

REVISION:	DATE
New Policy created	07/2017
Annual Review – no changes	07/2018
Changed current Georgia policy templates to corporate standard templates for standard operating policy/procedures criteria to meet corporate compliance. Changes/revisions included; new formatting, font size, use of standard policy language for each section of policy, and rearranged order of certain steps in criteria and sections.	02/2019
Changed CVS Caremark lookup tool to RxAdvance's lookup tool.	07/2019
Annual Review. No changes made.	07/2020
Changed RxAdvance to CVS/Caremark. Changed RxAdvance's lookup tool to CVS/Caremark's lookup tool. Added Peach State Health Plan logo	10/2020
Annual Review. No changes made.	07/2021

POLICY AND PROCEDURE APPROVAL

The electronic approval retained in RSA Archer, the Company's P&P management software, is considered equivalent to a signature.