



Department  
of Health

# Transition (Carve-Out) of Pharmacy Benefit from Managed Care to Fee-For-Service (FFS)

All Stakeholder: Implementation Update










March 25, 2021

# Overview

- Key Deliverables and Timeline Update
- Updates
  - Medicaid Update Highlights
  - Member Search Tools
- Communication & Resources
- Q&A

# Key Deliverables and Timeline Update

# Key Deliverables and Timeline Update

Deliverable(s)	Target Date	
Complete Work Plan and Establish State Transition Team and 340B Advisory Group	June 2020	
Recurring Workgroup Calls with Health Plans and All Stakeholders begin	July 2020	
Frequently Asked Questions Posted to the NYS DOH Website	August 2020	
Finalize NYS DOH/Managed Care Plan Roles and Scope of Benefits	September 2020	
Consensus between the state and plans on data sharing concept	October 2020	
Deliver file formats, data dictionary, and process for daily claim file	November 2020	
Transition Analysis Conducted (e.g., Formulary, DME, OTC Comparisons), Changes Made To Smooth Transition and Transition Strategy Finalized	November 2020	
Identify Sections of the Model Contract that Require Changes	December 2020	
Notice of 1115 Waiver Amendment	December 2020	

# Key Deliverables and Timeline Update

Deliverable(s)	Target Date	
Required System Changes Identified	December 2020	✓
Initial Special Edition Medicaid Update Published	December 2020	✓
Systems Stress Testing Performed to Verify Volume Handling	January 2021	✓
Customer Service Staff Hired and Trained	February 2021	✓
Second Special Edition Medicaid Update Published	March 2021	✓
1115 Waiver Renewal Application Accepted by CMS	March 2021	✓
Member Notice of Change and Non-Enrolled Provider Notifications Sent	March 2021	
Make Required Changes to Common Benefit Identification Card (CBIC) Carrier or Notice	May 2021	
Required System Changes Implemented	By 5/1	
Go Live	5/1/2021	
340B Reimbursement Fund State Plan Amendment (SPA) Submitted	June 2021	

# Updates

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- [March 2021 Pharmacy Carve-Out: Part Two Special Edition](#)
- Member Search Tools: <https://member.emedny.org>
  - Member Fact Sheets
  - Find a Pharmacy / Medical Equipment Supplier
  - Search for Covered Prescription Drugs and Over the Counter (OTC) Products
  - Search for Covered Medical Supplies

# Communications and Resources





# Website Updates

The following content has been added to the website since the last meeting:

- [All Stakeholder](#) – February 26 Presentation
- [FAQ Update](#) – Updated 3/1/21
- [Transition & Communication Activities](#) – Updated 3/16/21
- [Member Notice of Change](#) – Updated 3/1/21
  - [Mailing Schedule](#) – Updated 3/16/21
- [Scope of Benefits](#) – Updated 3/16/21
- [March 2021 Pharmacy Carve-Out: Part Two Special Edition](#) – Published 3/18/21

Website updates will continue to be communicated via the MRT LISTSERV.

The screenshot shows the New York State Department of Health website. The top navigation bar includes links for Services, News, Government, and Local. Below this is a purple header for the Department of Health with sub-links for Individuals/Families, Providers/Professionals, Health Facilities, and Search. The main content area is titled "Pharmacy Carve Out" and includes a breadcrumb trail: "You are Here: Home Page > MRT II > Pharmacy Carve Out". The page content is organized into several sections:

- Pharmacy Carve Out**: A main heading with a sub-heading "This MRT II initiative will move the pharmacy benefit for 4.3 million Medicaid managed care members back to fee-for-service (FFS). Transitioning pharmacy" followed by a list of bullet points:
  - Provide the State with full visibility into prescription drug costs.
  - Centralize and leverage negotiation power.
  - Provide a single drug formulary with standardized utilization management protocols.
  - Address the growth of the 340B program and associated reductions in State rebate revenue.
- Pharmacy Carve-Out Medicaid Update Articles**: A section with two bullet points:
  - *Special Edition Part One: Medicaid Pharmacy Carve-Out* - (PDF) - December 2020
  - *Attention: Pharmacies, Durable Medical Equipment, Prosthetics, Orthotics and Supply Providers, and Prescribers That Are Not Enrolled in Medicaid*
- Resources & Materials**: A section with five bullet points:
  - 1557 Non-Discrimination and Language Services Templates - (PDF)
  - Managed Care Plan Mailing Schedule for Member Notice of Change - (Web) - (PDF)
  - Member Notice of Change - (Web) - (PDF) Updated - 12.21.2020.
  - Transition & Communications Activities Timeline - (Web) - (PDF) - Updated - 1.26.2021
  - Frequently Asked Questions (FAQs) - (Web) - (PDF) - Updated - 1.8.2021
  - Scope of Benefits - (Web) - (PDF) Updated - 10.21.2020
  - Roles & Responsibilities - (Web) - (PDF)
- Stakeholder Engagement**: A section with two bullet points:
  - Presentation from *All Stakeholder* meeting held on January 19, 2021: Transition (Carve-Out) of the Pharmacy Benefit from Managed Care to Fee-
  - Presentation from *All Stakeholder* meeting held on December 21, 2020: Transition (Carve-Out) of the Pharmacy Benefit from Managed Care to Fee-

The left sidebar contains a navigation menu with links such as Home, Implemented Budget Actions, Regulations Implementing MRT II Recommendations, Private Duty Nursing (PDN) for Medically Challenged Children, MRT 1115 Waiver Amendment Proposals, MRT 1115 Waiver Extension Request, Meetings/Forums, Policy & Guidance, Press Releases, SPAs Submitted to CMS, Pharmacy Carve Out, and Archives. Below the menu are social media icons for Facebook, Twitter, and YouTube, and a search box labeled "Search Medicaid Redesign:".

# Resources



Website:

[https://www.health.ny.gov/health\\_care/medicaid/redesign/mrt2/pharmacy\\_carve\\_out/](https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/pharmacy_carve_out/) Information regarding the transition of the pharmacy benefit from Managed Care to FFS will be posted at the above website.



Email: [PPNO@health.ny.gov](mailto:PPNO@health.ny.gov) – Please write *Carve-Out* in the subject line



DOH Medicaid Update:

[https://www.health.ny.gov/health\\_care/medicaid/program/update/main.htm](https://www.health.ny.gov/health_care/medicaid/program/update/main.htm)



MRT LISTSERV:

[https://health.ny.gov/health\\_care/medicaid/redesign/listserv.htm](https://health.ny.gov/health_care/medicaid/redesign/listserv.htm)

# Questions?

*Please submit your question to  
All Panelists using the Q&A feature of  
the WebEx Event meeting.*

