

Medicare: Transition Policy

Virginia Premier Health Plan, Inc. (H9877) Transition Policy

Virginia Premier Health Plan, Inc. (hereinafter referred to as Virginia Premier) will maintain an appropriate transition process consistent with 42 CFR §423.120(b)(3) that includes a written description of how, for enrollees whose current drug therapies may not be included in their new plan's formulary, it will effectuate a meaningful transition.

To ensure a smooth transition process for Virginia Premier enrollees and address the needs of individuals who are joining Virginia Premier from other Medicare Part D plans, Virginia Premier has established a transition process to address these needs. Virginia Premier has established transition guidelines to specifically address:

- (1) New enrollees into prescription drug plans following the annual coordinated election period;
- (2) The transition of newly eligible Medicare beneficiaries from other coverage;
- (3) The transition of individuals who switch from one plan to another after the beginning of a contract year;
- (4) Enrollees residing in long-term care (LTC) facilities; and
- (5) In some cases, current enrollees affected by negative formulary changes from one contract year to the next.

Virginia Premier's transition policy applies to:

- (a) Part D medications that are not on Virginia Premier's formulary.
- (b) Part D medications that are on Virginia Premier's formulary but may require prior authorization or step therapy under Virginia Premier's established utilization management rules.
- (c) Non-Medicare Part D Rx/OTC medications that are not on Virginia Premier's ADD (Additional Demonstration Drugs) list (if applicable to the plan).

Virginia Premier's Pharmacy and Therapeutics (P&T) committee is comprised of both pharmacists and physicians from many fields (e.g. Internal Medicine, Psychiatry, etc.). The P&T committee reviews and provides recommendations regarding non-formulary, prior authorization or step therapy medication requests. Also, the P&T committee establishes protocols for suggestions to both Medicare Part D enrollees and their physicians on the use of therapeutically equivalent formulary alternatives failing an affirmative medical necessity determination.

Clinical Pharmacists and/or Medical Directors review Coverage Determination Exception requests. Approval or denial of requests will be based on the Plan's criteria which are based on the evidence based guidelines, documentation found in CMS recognized compendia such as DrugDex.

Procedures for Requesting an Exception or Changing Prescriptions

How do members request an exception?

The first step in requesting an exception is for the member or the member's prescribing doctor to contact Virginia Premier. In most cases, the doctor must submit a statement supporting the member's request. The doctor's statement must indicate that the requested drug is medically necessary for treating the member's condition. If the exception involves a prior authorization, quantity limit or other limit placed on that drug, the doctor's statement must indicate that the prior authorization or limit would not be appropriate given the member's condition or would have adverse effects. Once the physician's statement is submitted, we must notify the member of our decision no later than 24 hours, if the request has been expedited or no later than 72 hours, if the request is a standard request. The request will be expedited if we determine or the member's doctor informs us that the member's life, health or ability to regain maximum function may be seriously jeopardized by waiting for a standard request.

What if the request is denied?

If the member's drug is not covered on our formulary or is covered on our formulary but we have placed a prior authorization, step therapy or quantity limit on it, the member can ask us if we cover another drug used to treat his/her medical condition. If we cover another drug for the member's condition, we encourage the member to ask his/her doctor if these drugs that we cover are an option for the member.

If the request is denied, the member also has the right to appeal by asking for a review of the prior decision. The member must request this appeal within 60 calendar days from the date of our first decision. If the member needs assistance in requesting an exception or appeal, help in switching to an alternative drug or for more information about our transition policy, the member can call the customer service number on the back of his/her ID card. Virginia Premier processes all appeals for their members.

Transition Policy

Virginia Premier's transition policy addresses those situations in which members may or may not be aware of the medications that are on Virginia Premier's formulary, unsure what is covered by Virginia Premier's formulary, or unfamiliar with Virginia Premier's formulary exception process. Virginia Premier's transition policy meets the immediate needs of our valued members and allows the member sufficient time to work with his or her prescribing physician to switch to a therapeutically equivalent formulary medication or complete the formulary exception process.

Virginia Premier will ensure that cost-sharing for a temporary supply of drugs provided under its transition process will never exceed the statutory maximum co-payment amounts for low-income subsidy (LIS) eligible enrollees. For non-LIS eligible enrollees, Virginia Premier will charge the same cost-sharing for non-formulary Part D drugs provided during the transition that would apply for non-formulary drugs approved through a formulary exception and the same cost sharing for formulary drugs subject to utilization management edits provided during the transition that would apply if the utilization management criteria are met.

Virginia Premier will only apply the following utilization management edits during transition at point-of-sale: edits to determine Part A or B versus Part D coverage, edits to prevent coverage of non-Part D drugs, and edits to promote safe utilization of a Part D drug. Step therapy and prior authorization edits must be resolved at point-of-sale.

Virginia Premier will ensure that the transition policy provides refills for transition prescriptions dispensed for less than the written amount due to quantity limits for safety purposes or drug utilization edits that are based on approved product labeling.

Virginia Premier will ensure that it will apply all transition processes to a brand-new prescription for a non-formulary drug if it cannot make the distinction between a brand-new prescription for a non-formulary drug and an ongoing prescription for a non-formulary drug at the point-of-sale.

Virginia Premier will extend its transition policy across contract years should a member enroll in a plan with an effective enrollment date of either November 1 or December 1 and need access to a transition supply.

Ambulatory (Community) Members-Part D Drugs

During the member's first 90 days of enrollment (90 day transition period) with Virginia Premier, the member can obtain at least a one time, temporary 30 day fill (unless the prescription is written for less than 30 days, in which case the member may have multiple fills up to a total of 30 days of medication) of a non-formulary medication (including Part D drugs that require a prior authorization or step therapy).

Virginia Premier will provide, on a case by case basis, an emergency supply of a Part D covered non-formulary drug (including Part D covered formulary drugs with utilization edits) to the member outside of his or her 90 day transition period.

Long-Term Care (LTC) Members-Part D Drugs

During the member's first 90 days of enrollment beginning on the member's effective date of coverage (90 day transition period) with Virginia Premier, the member can obtain a 91 to 98 day supply of a Part D covered medication (including Part D covered formulary drugs with utilization edits). Virginia Premier will honor multiple fills of non-formulary Part D medications (including Part D covered formulary drugs with utilization edits), such as to prevent the use of early refill edits to limit access to the Part D benefit upon admission or discharge in the long-term care setting, as appropriate during the entire length of the 90-day transition period.

If an LTC enrollee is outside his or her 90-day transition period, Virginia Premier will provide a 31 day emergency supply of non-formulary medication (including Part D covered formulary drugs with utilization edits) while a coverage determination is requested or when it has been identified that the member's exception request or appeal has not been completed by the end of the transition period.

There are times when an enrollee may experience an unplanned level of care change (e.g.; discharged or admitted to an LTC facility, discharged or admitted to hospitals, nursing facility skill level changes, etc.). In these instances, Virginia Premier will provide an emergency supply of non-formulary medication (including Part D covered formulary drugs with utilization edits). This emergency supply will be for at least 31 days of medication, unless the prescription is written for less than 31 days. The emergency supply is to ensure that members receive their medications while an exception has been requested through Virginia Premier.

Members in All Setting Type-Non-Medicare Part D Rx/OTC Drugs (ADD-Additional Demonstration Drugs) (If applicable to the plan)

During the member's first 180 days of enrollment with Virginia Premier, the member can obtain up to a 180-day temporary supply (6 x 30-day fills) of a non-formulary ADD medication (excluding ADD drugs that require a prior authorization-due to FDA safety edits).

Negative Formulary Changes

Virginia Premier understands that some members may be impacted by negative formulary changes that can occur from year to year, including drugs no longer on formulary, new prior authorization, step therapy, and/or

quantity limit edits. Even though members are sent an Annual Notice of Change (ANOC), Virginia Premier realizes that members may be unaware that some medications that are considered formulary in one year may be considered non-formulary in the following year.

To help alleviate some of this confusion, Virginia Premier allows a transitional fill, for a maximum of 30 to 31 days (depending on member setting) of medication (a 91 to 98 day supply for members residing in a long-term care facility), of any Part D covered medications that are impacted by negative formulary changes from one year to the next as long as the member had history of the medication in the past 180 days. If the prescription is written by the prescriber for less than a 30 day supply, the prescribed day's supply defines the minimum quantity authorized as the transition fill. The transition benefit period for a negative formulary change will only be applied, for all current members, during the first 90 days of the benefit plan year.

Expired Exception Authorization

The transition benefit period for a current member who has an expired exception authorization for a non-formulary drug will be 90 days from the date of the expiration. Virginia Premier allows a transition fill, for a maximum of 30 to 31 days (depending on the member setting) of medication (a 91 to 98 day supply for members residing in a long-term care facility), of any Part D covered medications that are impacted by the expiration of a prior authorization. The transition fill benefit for an expired exception authorization will only be applied to the non-formulary drug in which the exception authorization was configured.

Transition Fill Requests Due to Other Reasons and Extension of Transitional Fills

Virginia Premier continues to provide necessary Part D drugs to members via an extension of the transition period, on a case-by-case basis, to the extent that their exception request or appeal has not been processed by the end of the minimum transition period and until such time as a transition has been made (either through a switch to an appropriate formulary drug or a decision on an exception request).

Virginia Premier will have and utilize systems capabilities that will provide a temporary supply of non-formulary Part D drugs in order to accommodate the immediate needs of an enrollee, as well as to allow Virginia Premier and/or the enrollee sufficient time to work with the prescriber to make an appropriate switch to a therapeutically equivalent medication or the completion of an exception request to maintain coverage of an existing drug based on medical necessity reasons.

Transition Notices

All members who receive a transition fill as outlined in this process, as well as the prescribing physician, of a non-formulary Part D medication (including Part D covered formulary drugs with utilization edits), will receive a written notice via U.S. First Class mail regarding their transition fill and the transition process. Virginia Premier will use the CMS model Transition Notice. This notification will be sent within 3 business days of the temporary fill, utilizing the CMS approved transition letter template. For transition supplies that are provided through two or more fills, Virginia Premier shall only be required to send a transition notice with the first transition fill. This notice will include:

- (1) An explanation of the transition supply that the member received
- (2) Instructions for working with Virginia Premier and the member's prescriber to satisfy utilization management requirements or to identify appropriate therapeutic formulary alternatives
- (3) An explanation of the member's right to request a coverage determination
- (4) A description of the coverage determination process

Virginia Premier’s transition policy will be available to enrollees via a link from the Medicare Prescription Drug Plan Finder to Virginia Premier’s website and will be included in pre-and post-enrollment marketing materials as directed by CMS.

Coverage determination requests will be available to members, their prescribing physicians (or other providers), and their representatives via fax, mail, e-mail and phone. In addition, members and/or providers may obtain instructions on the coverage determination and transition fill process on Virginia Premier’s website.

Implementation Statement

A detailed explanation of how Virginia Premier’s transition requests are processed within the adjudication system shall be documented in this policy and otherwise, including, but not limited to, how the pharmacy is notified when transition medication is processed at point-of-sale; description of edits and explanation of the process pharmacies follow to resolve transition medication edits at the point-of-sale.

Virginia Premier will submit a copy of its transition process policy. Virginia Premier will make available prior authorization or exceptions request forms upon request to both enrollees and prescribing physicians via a variety of mechanisms, including mail, fax, email, and on plan web sites. Virginia Premier will make their transition policy available to enrollees via a link to the sponsor web site and include the policy in pre-and post-enrollment marketing materials as directed by CMS.

The following qualifications regarding a transition process for enrollees are outlined in the table below:

Qualification	Location in Policy
Virginia Premier will maintain an appropriate transition process consistent with 42 CFR §423.120(b)(3) that includes a written description of how, for enrollees whose current drug therapies may not be included in their new Part D plan's formulary, it will effectuate a meaningful transition for: (1) new enrollees into prescription drug plans following the annual coordinated election period, (2) newly eligible Medicare beneficiaries from other coverage, (3) enrollees who switch from one plan to another after the start of a contract year, (4) current enrollees affected by negative formulary changes across contract years, (5) enrollees residing in long-term care (LTC) facilities.	Policy Section: Page 1, Paragraph: 1-3
Virginia Premier will ensure that its transition policy will apply to non- formulary drugs, meaning both (1) Part D drugs that are not on a plan's formulary, (2) drugs previously approved for coverage under an exception once the exception expires, and (3) Part D Drugs that are on a plan's formulary but require prior authorization or step therapy, or that have an approved QL lower than the beneficiary’s current dose, under a plan's utilization management rules. Virginia Premier will ensure that its policy addresses procedures for medical review of non-formulary drug requests, and when appropriate, a process for switching new Part D plan enrollees to therapeutically appropriate formulary alternatives failing an affirmative medical necessity determination.	Policy Section: Page 1 Paragraph: 4 - 5; Page 2, paragraph 1; Page 4, paragraph 5; Page 5, paragraph 2

<p>Virginia Premier will have systems capabilities that allow them to provide a temporary supply of non-formulary Part D drugs in order to accommodate the immediate needs of an enrollee, as well as to allow the plan and/or the enrollee sufficient time to work with the prescriber to make an appropriate switch to a therapeutically equivalent medication or the completion of an exception request to maintain coverage of an existing drug based on medical necessity reasons.</p>	<p>Policy Section: Pages 4, paragraph 5</p>
<p>Virginia Premier will ensure that in the retail setting, the transition policy provides for at least a one-time, temporary 30-day fill (unless the enrollee presents with a prescription written for less than 30 days in which case the Part D sponsor must allow multiple fills to provide up to a total of 30 days of medication) anytime during the first 90 days of a beneficiary's enrollment in a plan, beginning on the enrollee's effective date of coverage.</p>	<p>Policy Section: Page 3, paragraph 3-4</p>
<p>Virginia Premier will ensure that cost-sharing for a temporary supply of drugs provided under its transition process will never exceed the statutory maximum co-payment amounts for low-income subsidy (LIS) eligible enrollees. For non-LIS enrollees, a sponsor must charge the same cost sharing for non-formulary Part D drugs provided during the transition that would apply for non-formulary drugs approved through a formulary exception in accordance with §423.578(b) and the same cost sharing for formulary drugs subject to utilization management edits provided during the transition that would apply if the utilization management criteria are met.</p>	<p>Policy Section: Page 2, paragraph 5</p>
<p>Virginia Premier will ensure that in the long-term care setting: (1) the transition policy provides for a 91 to 98 day fill consistent with the applicable dispensing increment in the long-term care setting (unless the enrollee presents with a prescription written for less), with refills provided if needed during the first 90 days of a beneficiary's enrollment in a plan, beginning on the enrollee's effective date of coverage, (2) after the transition period has expired, the transition policy provides for a 31-day emergency supply of non-formulary Part D drugs (unless the enrollee presents with a prescription written for less than 31 days) while an exception or prior authorization is requested and (3) for enrollees being admitted to or discharged from a LTC facility, early refill edits are not used to limit appropriate and necessary access to their Part D benefit, and such enrollees are allowed to access a refill upon admission or discharge.</p>	<p>Policy Section: Page 3, paragraph 5 -7</p>
<p>Virginia Premier will only apply the following utilization management edits during transition at point-of-sale: edits to determine Part A or Part B versus Part D coverage, edits to prevent coverage of non-Part D drugs, and edits to promote safe utilization of a Part D drug. Step therapy and prior authorization edits must be resolved at point-of-sale.</p>	<p>Policy Section: Page 2, paragraph 6</p>

<p>Virginia Premier will ensure that the transition policy provides refills for transition prescriptions dispensed for less than the written amount due to quantity limit safety edits or drug utilization edits that are based on approved product labeling.</p>	<p>Policy Section: Page 2, paragraph 7</p>
<p>Virginia Premier will ensure that it will apply all transition processes to a brand-new prescription for a non-formulary drug if it cannot make the distinction between a brand-new prescription for a non-formulary drug and an ongoing prescription for a non-formulary drug at the point-of-sale.</p>	<p>Policy Section: Page 3, paragraph 1</p>
<p>Virginia Premier will send written notice via U.S. first class mail to enrollee within three business days of adjudication of a temporary fill. The notice must include (1) an explanation of the temporary nature of the transition supply an enrollee has received, (2) instructions for working with the plan sponsor and the enrollee's prescriber to satisfy utilization management requirements or to identify appropriate therapeutic alternatives that are on the plan's formulary, (3) an explanation of the enrollee's right to request a formulary exception and (4) a description of the procedures for requesting a formulary exception. For long-term care residents dispensed multiple supplies of a Part D drug in increments of 14- days-or-less, consistent with the requirements under 42 CFR 423.154(a)(1)(i), the written notice must be provided within 3 business days after adjudication of the first temporary fill. Sponsor will use the CMS model Transition Notice via the file-and-use process or submit a non-model Transition Notice to CMS for marketing review subject to a 45-day review. Sponsor will ensure that reasonable efforts are made to notify prescribers of affected enrollees who receive a transition notice.</p>	<p>Policy Section: Page 4-5, paragraph 6</p>
<p>Virginia Premier will extend its transition policy across contract years should a beneficiary enroll in a plan with an effective enrollment date of either November 1 or December 1 and need access to a transition supply.</p>	<p>Policy Section: Page 3, paragraph 2</p>
<p>Virginia Premier will make arrangements to continue to provide necessary Part D drugs to enrollees via an extension of the transition period, on a case-by-case basis, to the extent that their exception requests or appeals have not been processed by the end of the minimum transition period and until such time as a transition has been made (either through a switch to an appropriate formulary drug or a decision on an exception request).</p>	<p>Policy Section: Page 4, paragraph 6</p>
<p>For current enrollees whose drugs will be affected by negative formulary changes in the upcoming year, Virginia Premier will effectuate a meaningful transition by either: (1) providing a transition process at the start of the new contract year or (2) effectuating a transition prior to the start of the new contract year.</p>	<p>Policy Section: Page 4, paragraph 2</p>