## Medi-Cal Rx Policy for Requesting Alternative Medication in Case of Supply Shortage April 15, 2022

The Department of Health Care Services (DHCS) is aware that instances of pharmacy supply chain issues pose challenges to both Medi-Cal providers and beneficiaries. The following information provides guidance on how providers can request alternative medications when the prescribed product is not available or only available in a limited or insufficient quantity.

## Prior to requesting an alternative, providers must:

- 1. Confirm that other pharmacies (or locations of a chain pharmacy) in the nearby region are also out of stock and unable to order the requested item.
- 2. Rule out use of a suitable alternative that is on the <u>Contract Drugs List (CDL)</u> and available without a prior authorization (PA). This should be done *before* requesting approval of a non-CDL alternative.

## Once both conditions above have been met, providers should:

- Submit a "Product Unavailable" PA requesting an alternative that is from a Centers for Medicare & Medicaid Services (CMS)-approved manufacturer. Approved products can be located on the <u>Medi-Cal Rx Approved NDC List</u>.
- Include with the PA verification that the CDL alternative is unavailable in the marketplace in the local region where the beneficiary resides.
- Provide supporting documentation (wholesaler notification, Food and Drug Administration [FDA] notification, association bulletin, etc. confirming shortages) with the PA demonstrating that the original product is unavailable and noting the expected duration of the shortage (if known).
- Request products from a *non-CMS-approved manufacturer as a last resort* when no other options are available.

Note: PA approval may be granted when suitable CDL options are ruled out.

An emergency supply of the alternative medication may be dispensed immediately to the beneficiary for up to a 14-day supply. Such a dispensing does not require a PA. If the shortage is expected to be long term or there is risk of initially providing the emergency product and subsequently switching to a CDL alternative after the emergency supply runs out (e.g., destabilization of the condition), then a PA for extended use of the alternative product should be submitted in a timely manner so it can be adjudicated prior to the emergency supply running out.