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Letter of Direction #40-1

Date: August 13, 2021

To: Centennial Care 2.0 Managed Care Organizations

From: Nicole Comeaux, Director, Medical Assistance Division
Neal Bowen, Director, Behavioral Health Services Division

Subject: Generic First Policy, Prior Authorization, and Reimbursement for Medication Assisted Treatment (MAT) Medications; Narcan and Naloxone
Repeal and Replace LOD #40

Title: Medication Assisted Treatment (MAT) Medications; Narcan and Naloxone

The purpose of this letter of direction is to provide the Centennial Care Managed Care Organizations (MCOs) direction to cease requiring prior authorization for any MAT drugs, and further guidance regarding acceptable generic first policy for MAT medications.

Medication Assisted Treatment (MAT) is the use of FDA-approved medications, in combination with counseling and behavioral therapies, to provide a "whole-patient" approach to the treatment of substance use disorders. There are FDA approved medications to treat alcohol use disorder, smoking and opioid use disorder.

MCOs are directed to cease requiring prior authorization for any FDA-approved MAT drugs, including but not limited to methadone, buprenorphine, naltrexone, and buprenorphine/naloxone combinations. New drugs, formulations and delivery routes for these medications are created frequently, and MCOs are directed to ensure that all MAT drugs and all forms of those drugs are available to Medicaid members without unnecessary barriers.

Generic first policy for MAT drugs defined

A MCO can require a recipient to use a generic version of a drug prescribed as a brand name unless the prescriber specifically states on the prescription "brand medically necessary." When the "brand medically necessary" is written by hand on the prescription (not a rubber stamp), a pharmacy bills using a "dispense as written" indicator on the National Council for Prescription Drug Programs (NCPDP) transaction. In this case, the MCO must pay for the brand name version; this is a federal requirement. In this case, no step therapy may be required.

No prior authorizations for MAT drugs

No prior authorization is required for any MAT drug in any formulation when used to treat opioid use disorders. Any formulation of buprenorphine used for the treatment of opioid use disorders is exempt from the generic-first coverage provisions 8.324.4.12 NMAC. Prescribers should specifically state on the prescription in writing “brand medically necessary.” The pharmacy then bills using the “dispense as written” indicator on the NCPDP. Best clinical practices when prescribing buprenorphine for the treatment of opioid use disorders (e.g. systematic checking of the prescription monitoring programs and periodic urine drug screening) should be addressed through a provider alert rather than a prior authorization process.

Nasal Narcan

Nasal Narcan is an easy to use formulation of naloxone that increases the likelihood of successful utilization by individuals who are not trained health care providers, particularly when accompanied by meaningful education and guidance from the dispensing pharmacy.

MCOs are directed to reimburse pharmacies and other providers for nasal Narcan, as well as for naloxone kits, and to pay the incentive fee for patient counseling and education whenever either medication is dispensed.

This LOD will sunset with the next promulgation of the New Mexico Administrative Code section on specialized behavioral health services (NMAC 8.321.2)

Any questions regarding this LOD should be directed to BHSD Deputy Director Tiffany Wynn, PhD at Tiffany.Wynn@state.nm.us