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Section A: Introduction

A1: General Information

Welcome to the CenCal Health Plan Pharmacy Manual

CenCal Health is a County Organized Health System (COHS) that administers the Medi-Cal program in Santa Barbara and San Luis Obispo Counties. We have been in operation since 1983, and are recognized nationally as the oldest Medicaid managed care program of its kind in the country. We contract with the State of California to administer Medi-Cal benefits through local health care providers in Santa Barbara and San Luis Obispo counties. We presently have over 275 Primary care physicians and 1250 specialists that provide care to our members. They give generously of their time and expertise. We also have a very dedicated board of directors that come from within our community. They donate their time to oversee and ensure the best outcome for our members, and oversee our budget. All programs are case managed by Primary Care Physicians (PCPs) of the member's choosing or by plan assignment. The following are current programs CenCal Health administers:

- Santa Barbara Health Initiative (SBHI) is the first case managed Medi-Cal program in the State of California. Our program has been widely viewed as a model for other counties and states.
- San Luis Obispo Health Initiative (SLOHI) is CenCal Health's program for Medi-Cal recipients in San Luis Obispo County.
- Both counties are known as a local community health plan, of varying ages, categories of aid, and medical conditions and our main program is Medi-Cal.

CenCal Health is pleased to provide you with this Pharmacy Manual. Although CenCal Health is responsible for pharmacy management policy and overall program administration, CenCal Health has contracted with a pharmacy benefit manager, MedImpact, to assist in the administration of its pharmacy program. CenCal Health shall oversee MedImpact's role in assisting the pharmacy network with claims processing and day-to-day operations.

This CenCal Health Pharmacy Manual is a comprehensive tool outlined to address common inquiries regarding CenCal Health's Pharmacy Benefit. CenCal Health welcomes any suggestions related to this manual. Communication related to suggestions for improvement should be directed to the CenCal Health Pharmacy Services Department at (800) 421-2560 extension 1080 or (805) 562-1080.

This Pharmacy Manual will assist you in:

- Providing optimal pharmaceutical services to CenCal Health members consistent with CenCal Health policies and procedures
- Provide you with administrative guidelines and detailed procedures to be followed to ensure that CenCal Health's member receive pharmaceutical services consistent with the CenCal Health scope of benefits
- Provide you with pertinent information that is necessary to achieve our mutual goal of providing quality pharmaceutical services to CenCal Health members

The CenCal Health Pharmacy Manual contains useful information on the following topics:

- Member Eligibility
- Covered Services
- Drug Formulary
- Medical Request Form (MRF) Process
- Claims Submission
- Coordination of Benefits (COB)
- Provider Grievance Process
- Pharmacy Audits

Organization of the Pharmacy Provider Manual

This Pharmacy Provider Manual describes the operational policies and procedures of CenCal Health. The covered topics are included in the Table of Contents at the beginning of the Provider Manual. You may also access the Provider Manual online by visiting CenCal Health's website at: www.cencalhealth.org. The manual will be updated and revised periodically as needed to reflect ongoing changes.

A2: Participating Pharmacy Network

All DHCS enrolled participating pharmacies provide pharmacy services for eligible members of CenCal Health and are contracted with MedImpact:

> MedImpact Healthcare Systems, Inc.
> 10181 Scripps Gateway Ct.
> San Diego, CA 92131
> Telephone: 1-800-788-2949
> www.medimpact.com

A3: Pharmacy Reimbursement

Participating network pharmacies receive reimbursement from MedImpact for pharmacy services provided as specified for a covered medication and/or reimbursable service as identified in the MedImpact Pharmacy Network Agreement Plan Sheet. MedImpact reimbursement is based on the lower of:

- Average Wholesale Price (AWP) less the contracted discount plus the contracted dispensing fee, or
- Maximum Allowable Cost (MAC) plus the contracted dispensing fee, or
- Usual & Customary (U&C), or
- Submitted Price

Pharmacies are paid on a bimonthly reimbursement schedule as follows:

Claims filled from the 1st through the 15th of the month are paid on the 25th of that month. Claims filled from the 16th through the 31st of the month are paid on the 10th of the following month.

A4: Pharmacy & Therapeutics (P&T) Committee

The Pharmacy & Therapeutics (P&T) Committee meets quarterly, or as needed, to provide proper guidance for the development, implementation, and maintenance of the CenCal Health Drug Formulary. The P&T Committee is responsible for making recommendations to CenCal Health regarding the content of the CenCal Health Drug Formulary and other clinical matters regarding the CenCal Health drug benefit. The Committee's membership is comprised of the CenCal Health Chief Medical Officer or their physician designee, the CenCal Health Director of Pharmacy Services, plan pharmacists, network physicians, network pharmacists, and other health care professionals from the community. Community practitioners interested in becoming a P&T Committee member may contact CenCal Health's Pharmacy Services Department at (805) 562-1080.

A5: Drug Formulary

The CenCal Health Drug Formulary is a listing of medications approved and covered by CenCal Health. This is a "living" document and will change according to the latest developments in clinical, evidence-based

literature. CenCal Health's Drug Formulary is available on CenCal Health's website in a PDF or web-searchable version at:

https://www.cencalhealth.org/providers/pharmacy/

A6: Scope of Prescription Drug Benefit Coverage

The scope of CenCal Health's prescription drug benefit includes all Food & Drug Administration (FDA) approved legend and non-legend medications that are on the CenCal Health Drug Formulary. Those medications not on CenCal Health's Drug Formulary may be available to members through the completion and approval of a Medical Request Form (MRF). Please refer to the Medical Request Form (MRF) Process section of this manual for more information.

A7: Reporting Fraud, Waste and Abuse

CenCal Health takes reports of fraud, waste and abuse very seriously. All providers are required to report incidents of fraud, waste and abuse to CenCal Health within ten (10) days from the date when you first became aware or were put on notice of such activity. If you suspect another provider of fraudulent activity such as up-coding or performing unnecessary services, please report this information to the plan. Please also report any CenCal Health member you suspect may be committing fraud.

Healthcare Fraud, Waste and Abuse are defined as follows:

Fraud: An intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable Federal or State law (Title 42 CR 455.2; Welfare and Institutions Code 1403.1(i))

Waste: Over utilization of services (not caused by criminally negligent actions) and the misuse of resources

Abuse: Provider practices that are inconsistent with sound fiscal, business or medical practices, and result in an unnecessary cost to the Medicaid program or in reimbursement of services that are not Medically Necessary or that fail to meet professionally recognized standards for health care. It also includes recipient practices that result in unnecessary cost to the Medicaid program. (Title 42 CR 455.2 and as further defined in Welfare and Institutions Code 14043.1(a))

When reporting fraud, waste or abuse, please provide as much of the following information as possible:

- Name of person or persons suspected of committing fraud, waste or abuse (first name, last name)

- Identifying information such as provider/member name, address telephone number
- Description and details of the suspected fraud, waste or abuse: who, what, where, when, date and time of incident(s)
- Any documentation you may have which is related to the situation
- Your name, telephone number and address (if you would like to be contacted)

To report fraud, waste or abuse to CenCal Health, please call the toll free 24-hour Fraud Hotline at (866) 775-3944. Callers may identify themselves or remain anonymous.

To report in writing, please complete the *Suspected Fraud, Waste or Abuse Form* located in the Providers section of the website at: **www.cencalhealth.org**

The form should be mailed to the following address:

CenCal Health
Attn: Fraud Investigations-Compliance
4050 Calle Real
Santa Barbara, CA 93110

A8: USEFUL TELEPHONE AND FACSIMILE NUMBERS

Contact Information	Phone Numbers
Member Services	(877) 814-1861
Provider Services	(805) 562-1676 (Santa Barbara County) (805) 541-7095 (San Luis Obispo County) (800) 421-2560 ext. 1676 Email: providerservices@cencalhealth.org
Claims Department	(805) 562-1083 (800) 421-2560 ext. 1083 Email: cencalclaims@cencalhealth.org
Health Services	(805) 562-1082 (800) 421-2560 ext. 1082 (877) 931-2227 Radiology Benefit Manager (Care to Care)

	Pediatric Unit (805) 562-1082 Option 1 Adult Case Management (805) 562-1082 Option 3 Quality Measurement & Improvement (805) 617-1997 Email: qualityimprovement@cencalhealth.org
Pharmacy Services	(805) 562-1080 (800) 421-2560 ext. 1080 (800) 788-2949-Med-Impact
Video & Telephonic Interpreter Services	(800) 225-5254-Over the Phone Operator Customer Code: 48CEN Email: certifiedlanguages.com (877) 814-1861 - Sign Language
Finance-Recoveries Unit	(805) 562-1081 (800) 421-2560 ext. 1081
Fraud, Waste & Abuse Reporting	(866) 775-3944 Mail: CenCal Health Attn: Fraud Investigations – Compliance Coordinator 4050 Calle Real, Santa Barbara, CA 93110