

**Affected Programs:** BadgerCare Plus, Medicaid, SeniorCare

**To:** Blood Banks, Dentists, Dispensing Physicians, Federally Qualified Health Centers, Hospital Providers, Nurse Practitioners, Nursing Homes, Pharmacies, Physician Assistants, Physician Clinics, Physicians, Podiatrists, Rural Health Clinics, HMOs and Other Managed Care Programs

## Over-the-Counter Drug Policy

This *ForwardHealth Update* clarifies coverage and policy for over-the-counter (OTC) drugs. Certain OTC drugs are covered for members enrolled in BadgerCare Plus and Medicaid. Additional OTC drugs may be covered as HealthCheck “Other Services” for children 20 years of age and younger.

Information in this *Update* does not apply to durable medical equipment and disposable medical supplies.

### General Over-the-Counter Drug Policy

According to DHS 107.10(3)(h), Wis. Admin. Code, the following categories of over-the-counter (OTC) drugs are covered for members enrolled in the BadgerCare Plus Standard Plan, the BadgerCare Plus Benchmark Plan, the BadgerCare Plus Core Plan, the BadgerCare Plus Basic Plan, and Medicaid:

- Antacids.
- Analgesics.
- Insulin.
- Contraceptives.
- Cough preparations.
- Ophthalmic lubricants.
- Iron supplements for pregnant women.
- Non-legend cost-effective drugs.

Not all OTC drugs in the previously listed categories are reimbursable. Over-the-counter drug policy does not affect durable medical equipment and disposable medical supply policy.

Manufacturers must sign a rebate agreement with the Centers for Medicare and Medicaid Services (CMS) in order to participate in the Medicaid program. If a manufacturer chooses not to sign a rebate agreement, the drug manufactured by that company will not be reimbursable. For example, OTC acetaminophen is reimbursable, but if a manufacturer has not signed a rebate agreement, such as a specific store brand of acetaminophen, the product will not be reimbursable.

A written prescription from a prescriber is required in order for OTC drugs to be covered.

Prescribers are encouraged to write prescriptions for OTC drugs if medically appropriate.

As a reminder, with the exception of OTC insulin, SeniorCare does not cover OTC drugs.

### Pharmacy Data Tables

#### ***Over-the-Counter Drug Coverage Resources***

There are many resources for OTC drugs covered by BadgerCare Plus and Medicaid found on the Pharmacy page of the ForwardHealth Portal at [www.forwardhealth.wi.gov/](http://www.forwardhealth.wi.gov/):

- The data table titled Covered Over-the-Counter Drugs is the broadest overview by listing categories and generic name.

- The Maximum Allowable Cost List is more specific by listing the generic name along with route, strength, and dosage form. Pharmacy providers and prescribers should review this data table frequently as changes may occur.
- The Numeric List of Manufacturers that have signed rebate agreements.
- The Drug Search Tool is the most specific and allows pharmacy providers to check the coverage by National Drug Code (NDC) or manufacturer for specific OTC drugs.

For a complete list of OTC drugs that are covered, refer to Attachment 1 of this *ForwardHealth Update*.

### **Antacids**

Coverage of OTC antacids is limited to single products containing aluminum hydroxide, calcium carbonate, sodium bicarbonate or one of these ingredients in combination with magnesium carbonate or magnesium hydroxide.

### **Analgesics**

Coverage of OTC analgesics is limited to oral or rectal forms of acetaminophen, aspirin, ibuprofen, and naproxen sodium. Acetaminophen rapid tabs and ibuprofen chewable tabs are limited to members 0-12 years of age. Over-the-counter capsaicin topical is also a covered analgesic.

### **Antihistamines, Oral**

Coverage of OTC antihistamines including cetirizine, cetirizine with pseudoephedrine, loratadine, loratadine with pseudoephedrine, and diphenhydramine are covered. Rapid Tabs formulations of antihistamine products are not covered.

### **Cold Products**

Over-the-counter pseudoephedrine 30 mg, 60 mg and 30 mg/5 ml syrup are covered decongestants. Pseudoephedrine 30 mg and 60 mg tablets will have a quantity limit of 136 per month. Refer to the Quantity

Limit table on the Pharmacy page of the ForwardHealth Portal.

### **Cough Preparations**

Covered OTC cough products are the syrup forms of dextromethorphan or guaifenesin as single ingredient preparations or a combination of dextromethorphan and guaifenesin.

### **Contraceptives**

Contraceptives are not reimbursable by NDC. All claims for contraceptives must be submitted with a HealthCare Common Procedure Coding System procedure code.

### **Insulin**

Over-the counter insulin is covered for BadgerCare Plus, Medicaid, and SeniorCare.

### **Iron Supplements**

Ferrous sulfate and ferrous gluconate tablets are covered for pregnant, female members 21-60 years of age with an appropriate diagnosis code. Refer to the Pharmacy page of the Portal for the Diagnosis Restricted Drugs table.

### **Tobacco Cessation**

Over-the-counter nicotine gum and patches are covered by the Standard Plan, the Benchmark Plan, the Core Plan, the Basic Plan, and Medicaid. Prescribers are required to indicate the appropriate diagnosis on the prescription. Refer to the Pharmacy page of the Portal for the Diagnosis Restricted Drugs table.

### **Non-Legend Cost-Effective Drugs**

The following are examples of some OTC drug categories that are also covered:

- Antibiotics, Topical.
- Antifungals, Topical and Vaginal.
- Ophthalmic Lubricants.

For a complete list of non-legend cost-effective drugs, refer to Attachment 1.

### **Nursing Home Daily Rate**

For members residing in a nursing home, the reimbursement for certain OTC drugs is included in the nursing home's daily rate and, therefore, may not be reimbursed separately. In addition, these OTC drugs may not be charged to the member, the member's family, or other interested persons. For a list of OTC drugs that are in the nursing home's daily rate, providers should refer to the Methods of Implementation for Wisconsin Medicaid Nursing Home Payment Rates on the Portal.

### **HealthCheck "Other Services" Under the BadgerCare Plus Standard Plan, the BadgerCare Plus Benchmark Plan, and Wisconsin Medicaid**

The Federal Omnibus Reconciliation Act of 1989 requires that state Medicaid programs provide:

... such other necessary health care, diagnostic services, treatment and other measures described in Section 1905(a) of the Social Security Act to correct or ameliorate defects and physical and mental illnesses and conditions discovered by screening services, whether or not such services are covered under the state plan.

Most services covered under HealthCheck "Other Services" must receive prior authorization (PA) from ForwardHealth **before** the service is delivered. The service must also meet all the following criteria:

- The child is 20 years of age or younger.
- The child received a comprehensive HealthCheck Screening that identifies the condition within one year prior to the request.
- The service is medically necessary and reasonable.

### **Covered Health Check "Other Services" Over-the-Counter Drugs**

All requests for HealthCheck "Other Services" require PA, *except* for the OTC drugs listed below.

The following OTC drugs are covered as HealthCheck "Other Services":

- Antidiarrheals.
- Antifungals.
- Antiflatulents.
- Antiparasitics.
- Electrolyte replacement.
- Ferrous sulfate and ferrous gluconate.
- Lactase products.
- Laxatives.
- Multivitamins.
- Topical protectants.

For a complete list of OTC drugs that are covered as HealthCheck "Other Services," see Attachment 2.

These drugs are covered when the member is 20 years of age or younger and a comprehensive HealthCheck screening has occurred within the last 365 days. Verification of the date of the HealthCheck screening should be written on the prescription or on any document with the date of the HealthCheck exam and the provider's signature.

Manufacturers must sign a rebate agreement with CMS in order to participate in Medicaid. If manufacturers choose not to sign a rebate agreement, their OTC drugs will not be reimbursable.

Other OTC drugs may be covered with PA under HealthCheck "Other Services."

### **Information Regarding Managed Care Organizations**

This *Update* contains fee-for-service policy for members enrolled in Medicaid and BadgerCare Plus who receive pharmacy services on a fee-for-service basis only.

Pharmacy services for Medicaid members enrolled in the Program of All-Inclusive Care for the Elderly (PACE) and the Family Care Partnership are provided by the member's managed care organization (MCO). Medicaid and BadgerCare Plus HMOs must provide at least the same benefits as those provided under fee-for-service.

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health Services (DHS). The Wisconsin Well Woman Program is administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at (800) 947-9627 or visit our Web site at [www.forwardhealth.wi.gov/](http://www.forwardhealth.wi.gov/).

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# ATTACHMENT 1

## Covered Over-the-Counter Drugs

Covered Over-the-Counter Drugs
<b>Analgesics, Topical</b>
Capsaicin
<b>Analgesics, Oral and Rectal</b>
Acetaminophen
Aspirin
Ibuprofen
Naproxen Sodium
<b>Analgesics, Rapid Tabs (Age 0-12)</b>
Acetaminophen
<b>Analgesics, Chewable Tabs (Age 0-12)</b>
Acetaminophen
Ibuprofen
<b>Antacids</b>
Aluminum Hydroxide
Calcium Carbonate
Magnesium Carbonate/Aluminum Hydrox
Magnesium Hydrox/Aluminum Hydrox
Magnesium Hydrox/Calcium Carbonate
Sodium Bicarbonate
<b>Antibiotics, Topical Creams and Ointments</b>
Bacitracin
Bacitracin/Neomycin/Polymyxin
Bacitracin/Polymyxin/
<b>Antifungals, Topical Creams and Ointments</b>
Clotrimazole
Miconazole
Tolnaftate
<b>Antifungals, Vaginal</b>
Clotrimazole
Miconazole
<b>Antihistamines, Oral (Excluding Rapid Tabs )</b>
Cetirizine
Cetirizine/Pseudoephedrine
Diphenhydramine
Loratadine
Loratadine/Pseudoephedrine

<b>Cough and Cold Products<sup>1</sup></b>
Dextromethorphan syrup Guaifenesin syrup Guaifenesin and Dextromethorphan syrup Pseudophedrine 30 mg tablet, 60 mg tablet, syrup
<b>Iron Supplements for Pregnant Women (Diagnosis Restricted and Age 21-60)</b>
Ferrous Gluconate tablet Ferrous Sulfate tablet
<b>Insulin<sup>2</sup></b>
<b>Miscellaneous</b>
Hydrocortisone creams and ointments Ketotifen ophthalmic Meclizine Permethrin
<b>Ophthalmic Lubricants</b>
Carboxymethylcellulose 0.5% and 1% drops and dropperette Hydromellose 0.3% and 0.4% drops and 0.3% gel Mineral Oil 15% /Petrolatum 85% ointment Mineral Oil 42.5% /Petrolatum 56.8% ointment Petrolatum/Mineral oil/Sodium chloride ointment Polyvinyl Alcohol 1.4% drops Polyvinyl Alcohol 0.5%/Povidone 0.6% drops Polyvinyl Alcohol 1.4%/Povidone 0.6% dropperette Propylene glycol 0.3%/Peg400 0.4% drops
<b>Tobacco Cessation</b>
Nicotine Gum Nicotine Patches

<sup>1</sup> Coverage of over-the-counter (OTC) cough preparations are limited to coverage of cough syrups that treat only coughs. Covered products include those containing a single component, a single cough suppressant, or a combination of an expectorant and cough suppressant.

<sup>2</sup> Insulin is the only covered OTC product for SeniorCare members.

# ATTACHMENT 2

## Over-the-Counter Drugs Covered by HealthCheck “Other Services”

The following over-the-counter drugs are covered as HealthCheck “Other Services” and do not require prior authorization. HealthCheck “Other Services” are limited to children 20 years of age and younger who are enrolled in Wisconsin Medicaid, the BadgerCare Plus Standard Plan, or the BadgerCare Plus Benchmark Plan.

<b>HealthCheck “Other Services” Covered Over-the-Counter Drugs</b>
<b>Antidiarrheals</b>
Acidophilus Bismuth Subsalicylate Lactobacillus Acidophilus Loperamide
<b>Antiflatulents</b>
Simethicone
<b>Antifungals, Topical</b>
Gentian Violet
<b>Antiparasitics, Topical</b>
Piperonyl Butoxide/Pyrethrins
<b>Electrolyte Maintenance</b>
Pediatric Electrolyte Solution
<b>Gastric Enzymes</b>
Lactase
<b>Iron Supplements, Liquid</b>
Ferrous Sulfate
<b>Laxatives</b>
Bisacodyl Castor Oil Docusate Glycerin Magnesium Citrate Magnesium Hydroxide Na Phos,M-B/Na Phos,Di-Ba Polyethylene Glycol Psyllium Senna Sennosides Sennosides/Docusate Sorbitol

<b>HealthCheck "Other Services" Covered Over-the-Counter Drugs</b>
<b>Magnesium Salts Replacement</b>
Magnesium Magnesium Chloride Magnesium Gluconate Magnesium Oxide
<b>Multivitamins</b>
Multivitamins Multivitamins/Iron Multivitamins/Minerals Multivitamins/Minerals/Iron Multivitamins/Therapeutic
<b>Protectants, Topical</b>
Calamine Vitamins A and D
<b>Vitamins</b>
Ergocalciferol