

PROVIDER

ALERT

Page 1 of 1

Medi-Cal Pharmacy Carve Out Implementation Date: January 1, 2021

Effective January 1, 2021, Department of Health Care Services (DHCS) is carving out the pharmacy benefit for over 11 million Medi-Cal beneficiaries from managed-care plans and moving pharmacy benefits to the Medi-Cal Fee-for-Service (FFS) program. DHCS has selected Magellan Rx as the Pharmacy Benefit Manager to administer the new pharmacy program.

What providers should know

- Beginning January 1, 2021, CalOptima Medi-Cal outpatient pharmacy claims will no longer be processed by CalOptima's PBM MedImpact and will instead be processed through Magellan Rx. Providers will be required to follow the state formulary or Contract Drug List (CDL).
- Claims processing for all pharmacy services billed by pharmacies through Magellan Rx include:
 - ◆ Medications
 - ◆ Enteral nutrition products
 - ◆ Some medical supplies
- CalOptima will remain responsible for:
 - ◆ Processing and payment of all medications and supplies billed on medical and institutional claims
 - ◆ All PACE and OneCare Connect pharmacy benefits
 - ◆ OneCare Part B and Part D pharmacy benefits

DHCS will also send out 30-, 60-, and 90-day notices to pharmacies. Providers are encouraged to register for email updates by visiting the DHCS Medi-Cal Rx Subscription Service (MCRxSS) at <https://mcrxsspages.dhcs.ca.gov/Medi-CalRxDHCSgov-Subscription-Sign-Up>.

Beginning October 1, 2020, DHCS/Magellan and CalOptima will initiate the following outreach efforts to notify members of the Medi-Cal carve out of the pharmacy benefit effective January 1, 2021.

- 90-day notices distributed by DHCS on October 1, 2020
- 60-day notices distributed by DHCS on November 1, 2020
- 30-day notices distributed by CalOptima on December 1, 2020

In addition, DHCS will offer training materials for Medi-Cal providers starting September 2020, via the Magellan Medi-Cal Rx website located at <https://medi-calrx.dhcs.ca.gov/home>.