1024 Drug Utilization Review

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References: 42 CFR Part 457, 42 CFR Part 438, 42 U.S.C 1396r-8, A.A.C. R9-22-209, 42 USC 1396A(OO), Social Security Act Section 1927 (g) Drug Use Review, AHCCCS Contract, AMPM 310-V, AMPM 1024.

Purpose

This policy outlines the Division's responsibility for the oversight of the Drug Utilization Review (DUR) process that includes retrospective, concurrent and prospective drug utilization edits developed and implemented by the Administrative Services Subcontractors (Division). In addition, it specifies the minimum requirements to ensure Members receive clinically appropriate prescriptions.

Definitions

1. "Abuse" means provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Division program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care, including beneficiary practices that result in unnecessary cost to the Division Program.

2. "Drug Utilization Review" or "DUR" means a systematic, ongoing review of the prescribing, dispensing, and use of medications. The purpose is to assure efficacious, clinically appropriate, safe and cost-effective drug therapy to improve Member health status and quality of care.
3. "Exclusive Pharmacy" means an individual pharmacy, which is chosen by the Member or assigned by the Division to provide all medically necessary Federal and State reimbursable drugs to the Member.
4. "Exclusive Provider" means an individual provider, which is chosen by the Member or assigned by AHCCCS or the AdSS to provide all medically necessary Federal and State reimbursable drugs to the Member.
5. "Fraud" means 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, including any act that constitutes Fraud under applicable State or Federal law.
6. "Member" means the same as "Client," a person receiving developmental disabilities services from the Division, as specified

in A.R.S. § 36-551.

7. "Prescription Drugs" means prescription medications prescribed by an Arizona Health Care Cost Containment System (AHCCCS) registered qualified practitioner as a pharmacy benefit, based on medical necessity, and in compliance with Federal and State laws.
8. "Waste" means over-utilization or inappropriate utilization of services, misuse of resources, or practices that result in unnecessary costs to the Medicaid Program.

Policy

A. Drug Utilization Review Requirements

1. The Division shall have a system that includes policies and procedures for retrospective, concurrent and prospective processes, coverage criteria and processes for their Drug Utilization Review (DUR) programs.
2. The Division shall ensure criteria for coverage for decisions be:
    a. Based on medical necessity;
    b. Clearly documented; and
    c. Based on the scientific evidence and standards of practice

that include:

i. Peer-reviewed medical literature,

ii. Outcomes research data,

iii. Official compendia, or

iv. Published practice guidelines developed by an evidence-based process.

3. The Division shall require a DUR program is managed through the point-of-sale edits used by network pharmacies and the Pharmacy Benefit Managers (PBMs) electronic DUR system to identify and address areas of concurrent review including:

a. Preferred and non-preferred federally and state reimbursable drugs prior to dispensing;

b. Drug-drug interactions;

c. Excessive doses;

d. High and suboptimal dosages;

e. Over and under utilization;

f. Drug-pregnancy precautions;

g. Drug-disease interactions;

h. Duplicate therapy;

i. Drug-age precautions; and

j. Other areas as applicable.

4. The Division shall require the Prospective Review Process promotes positive health outcomes through the use of Prior Authorization (PA) to ensure clinically effective medications are used in the most cost-efficient manner and AHCCCS Preferred Drugs are utilized as specified in AMPM Policy 310-V.

5. The Division shall require Prospective Utilization Review edits include:

   a. Drug-allergy interactions,

   b. Drug-disease contraindications,

   c. Therapeutic interchange,

   d. Generic substitution,

   e. Incorrect drug dosage,

   f. Inappropriate duration of drug therapy,

   g. Medication abuse or misuse, and

   h. Agents preferred on the AHCCCS Drug List.

6. The Division shall require the Retrospective Drug Utilization Review process be completed to detect aberrant prescribing practice patterns, pharmacy dispensing patterns and medication administration patterns to prevent inappropriate use, misuse or

waste and include the following:

a. Clinical appropriateness, use and misuse;

b. Appropriate generic use;

c. Drug-drug interactions;

d. Drug-disease contraindications;

e. Aberrant drug dosages;

f. Inappropriate treatment duration;

g. Member utilization for over and underutilization;

h. Prescriber clinician prescriptive ordering and practice patterns; and

i. Pharmacy dispensing patterns.

7. The Division shall evaluate prescribing practice patterns on drug therapy outcomes based on utilization patterns with the aim of improving safety, prescribing practices and therapeutic outcomes and include a summary of the educational interventions used and an assessment of the effect of these educational interventions on the quality of care.

8. The Division shall monitor that DUR is performed as required for the Federal Opioid Legislation as outlined in 42 USC 1396A.

9. The Division shall monitor that DUR activities are reported to

AHCCCS by the AdSS in accordance with Centers for Medicare and Medicaid Services (CMS) DUR requirements as specified in Contract.

10. The Division shall require that an automated process be implemented to monitor the following:
    a. Opioid safety edits at the Point-of-Sale;
    b. Member utilization when the cumulative current utilization of opioids is a Morphine Equivalent Daily Dose (MEDD) of greater than 90 Morphine Milligram Equivalents (MME);
    c. Members with concurrent use of an opioids in conjunction with benzodiazepines or antipsychotics;
    d. Antipsychotic prescribing for Division Members; and
    e. Fraud, waste and abuse by enrolled Members, pharmacies and prescribing clinicians.
11. The Division shall adhere to all requirements for medical management as specified in Contract, Policy, 42 CFR Part 457, and 42 CFR Part 438.

B. Minimum Monitoring Requirements

1. The Division shall monitor controlled and non-controlled medications on an ongoing basis by:

a. Evaluating prescription utilization by Members,

b. Prescribing patterns by clinicians, and

c. Dispensing by pharmacies.

2. The Division shall use the drug utilization data to identify and screen high-risk Members and providers who may facilitate drug diversion.

3. The Division shall conduct the following:

a. Monitor the requirements to determine potential misuse of drugs used in the following therapeutic classes:

i. Atypical antipsychotics,

ii. Benzodiazepines,

iii. Hypnotics,

iv. Muscle Relaxants,

v. Opioids, and

vi. Stimulants.

b. Utilize the following resources, when available, for their monitoring activities:

i. Prescription claims data,

ii. Arizona State Board of Pharmacy,

iii. Controlled Substance Prescription Monitoring

Program (CSPMP);

iv. Indian Health Services (IHS) and Tribal 638 pharmacy data if available;

v. ACC-RBHA prescription claims data if available, and

vi. Other pertinent data.

c. Evaluation of the prescription claims data at least quarterly to identify:

i. Medications filled prior to the calculated days-supply;

ii. Number of prescribing clinicians;

iii. Number of different pharmacies utilized by the Member; and

iv. Other potential indicators of medication misuse.

C. Minimum Intervention Requirements

1. The Division shall require the following interventions be implemented to ensure Members receive the appropriate medication, dosage, quantity, and frequency:

a. Point-of-sale safety edits and quantity limits;

b. Care or case management;

c. Referral to, or coordination of care with, a behavioral health service Provider or other appropriate specialist; and

d. Assignment of Members who meet either of the following evaluation parameters listed below to an Exclusive Pharmacy, exclusive provider or both for up to a 12-month period:

i. A Member using the following in a three-month time period:

a) Greater than four prescribers, and

b) Greater than four different abuse potential drugs, and

c) Four pharmacies; or

d) The Member has received 12 or more prescriptions of the medications listed in the Monitoring Requirements section in the past 3 months.

ii. A Member presenting a forged or altered prescription to the pharmacy.

2. The Division shall require Members who meet the parameters outlined above in (1) are assigned to a single prescriber in addition to the assignment to an exclusive pharmacy when applicable.

3. The Division shall require a Member who is assigned to an exclusive pharmacy or an exclusive prescriber for up to 12 months be provided a written notice detailing the factual and legal bases for the restriction.
4. The Division shall ensure the notice listed in (4) informs the Member of the opportunity to file an appeal for a state fair hearing and the timeframes and process for doing so as described in A.A.C. Title 9, Chapter 34, Articles 2 or 3.
5. The Division shall require that restrictions are not implemented before providing the Member notice and opportunity for a hearing outlined in (3) and (4) above.
6. The Division shall require that restrictions are not imposed if the Member has filed an appeal for a state fair hearing, until:
    a. The AHCCCS Director's decision has affirmed any restriction determined through the state fair hearing,
    b. The Member has voluntarily withdrawn the appeal or request for hearing, or
    c. The Member fails to file an appeal for a state fair hearing in a timely manner.
7. The Division shall require the Member's prescription be reviewed

and other utilization data to determine whether the intervention will be continued or removed at the end of the designated time period.

8. The Division shall require that the Member is notified in writing of the decision to continue or discontinue the assignment of the pharmacy or provider.
9. The Division shall ensure instructions for the appeals or fair hearing process is in the notification letter to the Member if the decision is to continue the assignment.
10. The Division shall ensure that Members who are assigned to an exclusive pharmacy or exclusive provider have reasonable access to AHCCCS covered services, considering the geographic location and reasonable travel time.
11. The Division shall require specific instructions are provided to the Member, the assigned exclusive pharmacy or exclusive provider, and their Pharmacy Benefit Manager (PBM) on how to address the following:
    a. Emergencies defined as medical services provided for non-FES members for the treatment of an emergency medical condition that manifests itself by acute symptoms

of sufficient severity, including severe pain, such that a prudent layperson who possesses an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in:

i. Placing the Member's health in serious jeopardy,

ii. Serious impairment to bodily functions, or

iii. Serious dysfunction of any bodily organ or part.

b. The medication is out-of-stock at the exclusive pharmacy, or

c. The exclusive pharmacy is closed.

12. The Division shall require substance use disorder (SUD) education and treatment options are provided to Members who experience an overdose (OD) during any encounter, including:

a. Interactions with first responders,

b. Emergency department visits, or

c. Other medical or community-based facilities.

13. The Division shall require that Members are contacted within 48 hours of the OD incident occurring at the Emergency Department or other facility.

14. The Division shall require that Members that have presented in

an OD status at the Emergency Department or other facility are educated on how to obtain naloxone at the pharmacy under the standing order.

D. Reporting Requirements

1. The Division shall require cases of Member deaths due to medication poisoning, OD, or toxic substances are identified and referred to the Division Quality Management staff for research and review.
2. The Division shall require Fee-for Service (FFS) providers to provide notification of cases involving Member deaths through the submission of incident, accident, and death (IAD) reports to AHCCCS through the AHCCCS Quality Management System Portal (AHCCCS QM Portal) no later than 24 hours after discovery, as specified in AMPM Policy 830.
3. The Division shall report all suspected fraud, waste, and abuse to the appropriate entity.
4. The Division shall submit the following information to AHCCCS utilizing 1024 Attachment A as specified in the Contract, Section F, Attachment F3, Contractor Chart of Deliverables:
   a. Members assigned to a pharmacy or prescribing clinician;

b. The number of Members which on the date of the report are assigned to using an exclusive pharmacy, prescriber, or Provider due to excessive use of prescriptive medications; and

c. Prescribing clinicians and dispensing pharmacies with aberrant utilization reports.

5. The Division shall submit to AHCCCS the Changes to Interventions and Parameters to Contractor's Exclusive Pharmacy or Single Prescriber Process as specified in the Contract, Section F, Attachment F3, Contractor Chart of Deliverables, when the Division changes and implements additional interventions and more restrictive parameters.

E. Division Oversight Of The AdSS

The Division shall refer to Division Operations 438 for monitoring and oversight responsibilities of the AdSS.

Vicki D. Copeland, MD

Signature of Chief Medical Officer

Vicki D. Copeland, MD

Name

2026-03-31

Date