



## ATTENTION PRESCRIBERS AND PHARMACIES:

### Clarification of Medicaid Coverage for Over the Counter (OTC) Drugs

Medicaid covers OTCs for members that obtain fiscal orders that meet Medicaid criteria. These OTCs include *select* medications in the following categories: analgesic and antipyretic, antacid, anti-diarrheal, antihistamine, anti-vertigo, artificial tears and ocular/oral lubricants, chronic renal disease, cough and cold, dermatological, family planning, fecal softener and laxative, hematinic, insulin, pediculicide, smoking cessation agents and vitamins/minerals.

All these categories are represented on the Medicaid Formulary, however, not every item made by every manufacturer is covered. Furthermore, not all formulations and/or package sizes are covered. Quantities may also be limited based on acute/episodic vs. chronic/maintenance uses. The following are some examples and helpful information for prescribing and dispensing OTC items for Medicaid members:

#### **Formulation**

Many drugs have multiple types of formulations, such as gel and ointment, the list will have the form available for coverage.

- Examples:
  - Ibuprofen tablets are covered, but not capsules.
  - Hydrocortisone cream is covered but not when it contains aloe.

#### **Packaging and Quantity**

OTC drugs are generally covered in packaging and package sizes that are most cost effective. While prescribers may not know the package size that is covered, the dispensing pharmacist may choose the package size available that most closely resembles the fiscal order. This may mean that there are slight differences in the quantities actually dispensed.

- Examples:
  - Polyethylene glycol 3350 is covered in bottles, but not coverable in dose packets.
  - A prescriber writes a fiscal order for anti-diarrheal tablets for a quantity of 30 tablets, the pharmacist has access to package sizes of 18 and 24. This could be appropriately dispensed as 24 tablets in the prepackaged box or 30 tablets from a stock bottle. Alternatively, if the prescriber wrote for calcium 500mg tablets quantity 60, it would be inappropriate for the pharmacist to dispense the entire 500 tablet stock bottle but a package size of 100 is permissible.

#### **Maintenance**

A maintenance OTC medication is one that the member takes on a regular basis for a chronic need. Medicaid encourages prescribing maintenance OTC medications in appropriate quantities to reduce trips to the pharmacy and to encourage compliance. Most maintenance medications are available to members up to a 90-day supply.

- Example: medication such as daily low dose aspirin for cardioprotection or daily insulin for diabetes.

### **Acute**

Acute use OTC medication should be prescribed in a quantity and day supply to treat the one episode of the acute event. Excessive quantities, those that exceed the amount generally needed to treat one episode of the acute event, and refills will not be covered for OTC drugs that are generally prescribed for acute use.

- Example: medication such as pseudoephedrine that is prescribed for a cold.

Pharmacies should submit the OTC claim for reimbursement according to Fee For Service payment methodology as found here:

[https://www.health.ny.gov/health\\_care/medicaid/program/docs/pharmacy\\_reimbursement.pdf](https://www.health.ny.gov/health_care/medicaid/program/docs/pharmacy_reimbursement.pdf)

The list of covered OTC items, as well as the entire outpatient formulary, is updated on a daily basis and is found here: <https://www.emedny.org/info/formfile.aspx>.

Managed Care Plans may also have OTC drug policies, you may inquire to the individual plan. Contact information may be found here: <https://mmcdruginformation.nysdoh.suny.edu/>.

Questions regarding this policy may be directed to the [PPNO@Health.NY.Gov](mailto:PPNO@Health.NY.Gov) or to 518-486-3209.