



Pharmacy

10/28/25



Pharmacy

- The Pharmacy benefit is split in to two categories.
 - Outpatient Retail. Traditional Pharmacy, ex. Corner Drug Store. What we will talk about today.
 - “Medical” or physician administered drugs (PADs). Drugs administered by a healthcare professional in facility setting, ex. clinic, hospital.

Pharmacy

- OptumRx is the contracted vendor for processing outpatient pharmacy claims.
- “Medical” drug claims are processed by the MMIS as part of the appropriate claim type.

OptumRx Services

- Pharmacy claim processing;
- Prior authorization (PA) processing for outpatient pharmacy;
- Provider call center for claim questions and PA's;
- Support the Medicaid Pharmacy & Therapeutics Committee;
- Federal rebate invoicing system.

What OptumRx Can Not Do

- Pay pharmacies, they are paid weekly as part of the regular MMIS payroll process;
- Answer remittance advice (RA) questions, OptumRx does not generate RA's or have access to our MMIS or provider portal;
- Answer questions regarding payment, ex. check number, check date, etc.;
- Process PA's for "medical" drugs;
- Answer questions about J codes, other HCPC codes, or medical claims in general.

Covered

- Must have a federal rebate;
- FDA approved;
- Not investigational;
- Can be self-administered by patient, ex. insulin;
- Over the Counter (OTC) covered meds very limited, lice treatments, some antihistamines, iron formulations for children less than 3yo, aspirin for pregnant women experiencing preeclampsia;
- A prescription from a valid prescriber is required.

Not Covered

There are not many drugs Medicaid does not cover under the pharmacy benefit.

- Drugs considered cosmetic, ex. Botox;
- Drugs for hair loss, ex. Rogaine;
- Drugs for sexual dysfunction, ex. Viagra;
- Drugs without a federal rebate;
- Devices, ex. nebulizer;
- “Medical” drugs;
- Durable Medical Equipment (DME), ex. crutches;
- Infant formula, Ensure, etc.;
- Drugs for recipients eligible for Medicare Part D coverage, except some antihistamines and Vitamin D;
- Vacation supplies.

Copay Exemptions

- No copays for any recipient.
- Effective July 1, 2024.

Retro Eligibility

- Voluntary by pharmacy;
- Requires pharmacy to submit an override code to bypass the standard 6 month timely filing limit;
- Forward pharmacy to Pharmacy Director to obtain override code and instructions.

Interesting Facts

- Pharmacy claims are adjudicated real time. Average is less than 0.2 seconds.
- Electronic PA's for some drugs;
- System is called the POS which stands for Point of Sale.
- Only about 18% of recipients fill a prescription in a given month;
- On Average:
 - Over 1,000,000 paid claims per year including IHS
 - Over \$215,000,000 per year including IHS
 - PADs \$80,000,000 per year
 - Generics accounted for 90% of non-IHS paid claims but only 10% of ingredient dollars paid.

Contacts

- Mike Jockheck, Pharmacy Director
- Taylor Koerner, Clinical Pharmacist
- Susan Oh, OptumRx Pharmacist
- Sean Hansen
(sean.hansen@optum.com), to request password reset.
- OptumRx Provider Call Center (855-401-4262)

Questions?



Physician Administered Drug (PAD) Program Overview

10/28/25



What are PADs?



Definition: drugs administered by a healthcare provider



Examples: IV infusions, chemotherapy, vaccines



Settings: clinics, infusion centers, hospitals



Coverage and Billing

- Covered under the medical benefit
- Claim forms submitted through internal MMIS system
 - Drug specific HCPC code
 - NDC (11 digit format)
 - Unit of measure (ml, gram, unit, etc.)

Prior Authorization

Required for certain high-cost drugs

Managed internally by our medical team – handled separate from PA process through the POS (Optum) side

Ensures patient meets appropriate criteria for use

Checking PA Status – POS vs. PAD

POS – OptumRX Website

<https://sdm.pharmacy.optum.com/>

Optum Rx® | Pharmacy Services



Home **Prior Authorization** Pharmacy and Therapeutics MAC Price PDL Additional Information

Home > Prior Authorization

Prior Authorization

South Dakota Medicaid supports ePA effective 1/1/2023.

South Dakota Medicaid requires Prior Authorization for the following drugs. All criteria algorithms and forms are in .pdf format. You must have Adobe Acrobat Reader to view the forms. If you do not have Adobe Acrobat Reader, we recommend downloading and installing the latest version.

[Expand All](#)

▼ Administrative PA
▼ Acne - Topical Agents
▼ Allergen Extract - Oral
▼ Altabax
▼ Antidepressants
▼ Antiemetics
▼ Antihistamines
▼ Antipsychotics
▼ ARBS
▼ Amrix, Fexmid

PAD – DSS Website

<https://dss.sd.gov/medicaid/providers/pa/default.aspx>

All Prior Authorization requests and inquiries need to be emailed to DSSMedicaidPA@state.sd.us until further notice

Prior Authorization

The division has 30 days to make a prior authorization determination. However, in most circumstances authorizations can be completed in less time, usually around 2 weeks. Prior authorization is only required for the *elective* services listed on this webpage. Any urgent or emergent care is exempt from prior authorization requirements. Retro authorizations can be requested after the service is provided if care was suspected to be urgent/emergent at the time, but will be billed as elective.

Listed below are all services requiring prior authorization and the associated Prior Authorization Request Form. Prior Authorization criteria and detailed instructions regarding forms and submission of prior authorization requests are located in the [Prior Authorization Manual](#).

Durable Medical Equipment
Bone Growth Stimulators
Continuous Glucose Monitoring
Continuous Passive Motion Devices
Cough Stimulating Devices
Cranial Remolding Helmets
High-Frequency Chest Wall Oscillation Device
Low Air Loss Mattress / Pressure Reduction Therapy
Lymphedema pumps
Non-covered Items < age 21 (EPSDT)
Specialty Mobility Devices
Speech Generating Devices / Augmentative Communication Devices
Wound Vacs
Incontinence Supplies
<ul style="list-style-type: none">• ADLS Waiver• Family Support 360 Waiver• HOPE Waiver• CHOICES Waiver
Durable Medical Equipment Prior Authorization Request Form
Home Health
Inpatient Hospitalization
Nutrition
Out-of-State Services
Other Outpatient Services
Other Procedures
Physician Administered Drugs, Vaccines and Immunizations
Surgical Procedures

Key Resources

- [Diagnosis Look-up Tool](#)
- [Fee Schedules](#)
- [Prior Authorizations](#)
- [Procedure Code Look-up Tool](#)
- [Provider Manuals](#)
- [Provider Enrollment](#)

Other Information

- [Cost Reports](#)
- [Frequently Asked Questions](#)
- [HomeAgainSD](#)
- [Care Management](#)
- [Home and Community Based Services](#)
- [Join our Listserv](#)
- [Pharmacy](#)
- [Phone Listing](#)
- [Report Medicaid Fraud](#)
- [School Based Medicaid Program](#)

Best practice is to check BOTH sides for PA status

What needs PA?

Generally determined based off drug cost, potential for misuse, therapy indication, dosing frequency, use, etc.

Currently required PAs through PAD benefit (not all inclusive):

- Gene therapies
- Diabetic macular edema treatments
 - Ex. Eylea, Vabysmo
- Botox
- CAR-T Therapies
- Treatments for various musculoskeletal disorders (Ex. SMA, DMD, gMG)

NOT requiring PA through PAD benefit (not all inclusive):

- Oncology agents
- Hemophilia agents
- IVIG
- Enzyme replacement therapies

PAD Prior Authorization Info

- Agents requiring PA are regularly on our website
- Procedure code Look-Up Tool
 - Searchable database that allows you to search PA status by HCPC code
- Accordion entries
- Drug policies & forms are specific to each product
- Concerns regarding PA criteria can be submitted via the Medicaid Portal

Physician Administered Drugs, Vaccines and Immunizations

Prior Authorization

Listed below are physician administered drugs, vaccines and immunizations that require prior authorization. Each product has a qualifying criteria document and an associated prior authorization request form to use for submission requests. For products that have multiple treatment indications, please use the appropriate form for the patient's condition.

All prior authorization criteria is developed with the understanding that coverage is inclusive of services that are deemed medically necessary as outlined in the [South Dakota Administrative Rules \(SDAR 67:16:01:06.02\)](#). Determination of prior authorization status for all physician administered drugs can be done via the use of the [Procedure Code Look-Up Tool](#).

For concerns regarding prior authorization criteria, please submit a coverage request using the [Medicaid Portal](#).

Submission

Prior Authorization requests should be submitted to South Dakota Medicaid via secure email. Use secure email to send completed documentation to DSSMedicaidPA@state.sd.us.

If secure email is unavailable, mail or fax completed documentation to:

South Dakota Department of Social Services
 Division of Medical Services
 Attn: Prior Authorization
 700 Governors Drive
 Pierre SD 57501
 Fax 605.773.5246

A - J (Generic Name)
K - N (Generic Name)
O - T (Generic Name)
U - Z (Generic Name)

Key Resources

- [Diagnosis Look-up Tool](#)
- [Fee Schedules](#)
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PA Process

- Review Approval Criteria

**SOUTH DAKOTA MEDICAID
PRIOR AUTHORIZATION CRITERIA**
Physician Administered Drugs, Vaccines, and Immunizations

Casimersen (Amondys 45) – PA Criteria

HCPC: J1426

Casimersen (Amondys 45) is an antisense oligonucleotide indicated for the treatment of Duchenne muscular dystrophy (DMD) in patients who have confirmed genetic mutation of the DMD gene that is amenable to exon 45 skipping. It is covered with a prior authorization from South Dakota Medicaid when the following criteria are met:

** All requests under this policy require SD medical director review in addition to meeting specified criteria below **

- Initial Therapy (must meet all):**
 - Therapy is prescribed by a neurologist with expertise in neuromuscular disorders
 - Individual must have a diagnosis of DMD with documentation of confirmed mutation that DMD gene is amenable to exon 45 skipping (submission of medical records, genetic testing, etc.)
 - If ambulatory, documentation of baseline values for **one** of the following is provided no longer than one month prior to beginning Amondys 45
 - North Star Ambulatory Assessment (NSAA)
 - 6 Minute Walk Test (6MWT)
 - If non-ambulatory, documentation is submitted indicating Brooke upper extremity scale is ≤ 5
 - Documentation is submitted indicating forced vital capacity of $\geq 30\%$ and stable cardiac function with left ventricular ejection fraction (LVEF) of $>40\%$
 - Individual is not ventilator dependent
 - Therapy is not being used in conjunction with other exon skipping therapies for DMD (ie Vyondys 53, Exondys 51, Viltipso)
 - Therapy is initiated before the age of 14
 - Individual has been on a stable dose of corticosteroids for 6 months unless contraindicated or adverse effects were previously experienced
 - Individual has not received previous gene therapy for the treatment of DMD
 - Approval duration: 6 months
- Continuation of Therapy (must meet all):**
 - Individual continues to meet initial criteria
 - Individual will continue to have follow-up with neurology provider and/or neuromuscular clinic
 - Documentation of response to therapy is recorded every 6 months and shows stability or improvement in **both** of the following:
 - 6-minute walk or NorthStar Ambulatory Assessment (or Brooke Upper Extremity if non-ambulatory)
 - Forced Vital Capacity
 - Approval duration: 6 months

A clinical benefit of AMONDYS 45 has not been established. AMONDYS 45 is FDA-approved for the treatment of Duchenne muscular dystrophy (DMD) in patients who have a confirmed mutation of the DMD gene that is amenable to exon 45 skipping. This indication is approved under accelerated approval based on an increase in dystrophin in skeletal muscle observed in some patients treated with AMONDYS 45. Continued approval for this indication may be contingent upon verification of a clinical benefit in confirmatory trials.



Last Reviewed: 7/28/25

- Fill out and submit drug specific PA form before treating the patient



DEPARTMENT OF SOCIAL SERVICES
DIVISION OF MEDICAL SERVICES
700 GOVERNORS DRIVE
PIERRE, SD 57501-22941

PHONE: 605-773-3495 | FAX: 605-773-5246

WEB: [DSS Medicaid Prior Authorizations](#) | EMAIL: DSSMedicaidpa@state.sd.us

AMONDYS 45 PRIOR AUTHORIZATION REQUEST FORM

This form **MUST BE** submitted with medical records to support services

Date:		
RECEIPT INFORMATION		
Medicaid ID:	Date of Birth:	Sex: M <input type="checkbox"/> F <input type="checkbox"/>
Last Name:	First Name:	
GENERAL INFORMATION		
First Date of Service:	Last Date of Service:	
Primary Diagnosis Code:	HCPC Code:	
Drug Name:	Dose & Frequency:	
Hospitalizations/Treatments/Medications Used in the last 6 months:		
POINT OF CONTACT		
Name and Title:		
Email:	Phone:	Fax:
<small>Note: The point of contact is the individual completing the PA and would be the contact for questions SD Medicaid may have regarding the PA. The determination notice will be sent to the listed point of contact.</small>		
REFERRING PROVIDER INFORMATION		
Name:		
NPI #:	Taxonomy:	
Phone:	Fax:	
SERVICING PROVIDER INFORMATION		
Name:		
Address:		
NPI #:	Taxonomy:	
Phone:	Fax:	

Submission & Review

- PA requests should be submitted via secure email to DSSMedicaidPA@state.sd.us
- If secure email is unavailable, mail or fax completed documentation to:

South Dakota Department of Social Services

Division of Medical Services

Attn: Prior Authorization

700 Governors Drive

Pierre SD 57501

Fax: 605-773-5246

- Coverage response will be returned within 2 weeks of submission

Contacts

- DSSMedicaidPA@state.sd.us



Questions?