



JEB BUSH, GOVERNOR

LAURA BRANKER, ACTING SECRETARY

July 11, 2001

Dear Pharmacy Provider:

This letter is to inform you of several important changes to the Medicaid program that were mandated as a result of recent Florida legislation directed at controlling the rising cost of prescription medication. The Florida Medicaid program will spend approximately \$1.6 billion in fiscal year 2001-2002 for prescriptions. Prescription costs are the most difficult issue affecting health care programs nationwide. Florida Medicaid prescription costs increased an average of more than 21% per year for the past five years, from \$731 million to more than \$1.4 billion in fiscal year 2000-2001.

In response to these spiraling costs, the Florida Legislature mandated that Medicaid reduce spending for prescriptions by \$214 million in fiscal year 2001-2002. The Legislature enacted SB 792, requiring Medicaid to adopt a mandatory preferred drug formulary and establish prior authorization requirements for any product not listed on the preferred drug formulary. The four brand cap limit enacted last year will remain in place in accordance with existing Florida Statutes.

The following list summarizes the changes to the Florida Medicaid program, as defined by the Florida Legislature:

- **Effective July 1, 2001 Medicaid eligible, institutionalized adults (over age 20) will be limited to four (4) brand name prescriptions per month. Institutionalized adults, meaning adults in a nursing home, were exempt from this limit prior to July 1, 2001.**
- **A mandatory preferred drug formulary will be phased in over 2 months beginning in July, 2001. Information will be provided when the final preferred drug formulary has been developed.**
- **All strengths of Oxycontin will be subject to limitations as described below:**

As you may be aware, Oxycontin®, has been in the national spotlight recently as a result of abuse and associated deaths. According to the manufacturer, Oxycontin® is indicated for control of moderate to severe pain and is often used by cancer patients and those with severe arthritis. Reports indicate that the medication has been a factor in over 100 deaths since approval by the FDA in 1995, including 14 deaths in one month in West Palm Beach, Florida. Though the medication can last for 12 hours, when crushed or dissolved and then ingested, it gives users an instant high similar to heroin. Either used singularly or with other medications, this drug can



have grave consequences. Due to these factors, Florida Medicaid Pharmacy Services has established the following dosing guidelines:

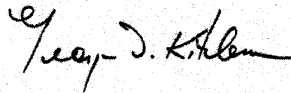
Effective July 1, 2001:

- Florida Medicaid will allow one strength of Oxycontin® per 30-day period and a maximum of four tablets per day within a 30-day period of the following strengths: 10mg, 20mg, 40mg and 80mg. Doses greater than four tablets per day of these strengths will require prior authorization.
- Doses greater than two tablets per day of the 160mg within a 30-day period will require prior authorization.
- Changes in strengths within a 30-day period will require prior authorization.
- Prior authorizations will be given up to six months depending on medical diagnosis.
- Prior authorizations may be obtained by having the physician call Consultec (800) 603-1714.

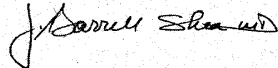
Oxycontin® should be administered every twelve (12) hours for control of moderate to severe pain. Doses should be titrated according to the manufacturer recommendations. Literature on pain management can be obtained from Consultec.

For any additional information, please contact Medicaid Pharmacy Services at (850) 487-4441.

Sincerely,



George Kitchens, R.Ph.
Chief, Medicaid Pharmacy Services



J. Darrell Shea, M.D.
Chief Medical Officer