



North Carolina Department of Health and Human Services
Office of Public Affairs

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N.C. Medicaid to Enact Money-saving Preferred Drug List

RALEIGH — N.C. Medicaid is set to save taxpayers millions annually by requiring recipients to use clinically effective generics and lower-cost alternatives to brand-name prescription medicines.

Effective March 15, N.C. Medicaid's nearly 2 million recipients will be required to have prescriptions filled from a Preferred Drug List. Many private insurers already limit their members to drugs from a preferred list, as do other state Medicaid programs. Taxpayers in North Carolina could benefit by more than \$90 million annually.

"The Legislature gave us this tool to help us control Medicaid costs," said DHHS Secretary Lanier Cansler. "The Department is committed to providing effective treatment options for the citizens of North Carolina who rely on Medicaid for their health care, yet we must also be careful stewards of our increasingly scant resources. The Preferred Drug List, which reduces our costs while still providing a proven, clinically effective program for recipients, is a proven win-win on both sides."

N.C. Medicaid recipients will notice no immediate changes. As the Preferred Drug List takes effect, it will include all medications currently covered by N.C. Medicaid. Over time, some medications will be removed from the preferred list, but only if the N.C. Physicians Advisory Group, which works with DHHS to set Medicaid policy, advises that the alternative drugs are safe and effective. Medicaid recipients will be notified in advance of a drug's removal from the list. Non-preferred medications will still be available to Medicaid recipients on a prior-approval basis if their physicians believe switching will cause harm or be ineffective.

The state legislation that empowers DHHS to enact the new policy exempts HIV/AIDS medications from a Preferred Drug List. And children who require certain medications under the Early Periodic Screening, Diagnosis and Treatment (EPSDT) program will still have access to them.

For more information and updates on the Preferred Drug List, log onto www.ncdhhs.gov/dma/pharmacy/.

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Location: 101 Blair Drive • Adams Building • Raleigh, N.C. 27603

www.ncdhhs.gov

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