

Subject: California Drug Formulary Finalizes Regulations

The California Department of Industrial Relations' Division of Workers' Compensation (DWC) has given its final approval to adopt a drug formulary for the medical treatment of injured workers. It will be **effective January 1, 2018**.

What you can expect from First Script

We will mail letters to prescribers to review the new formulary guidelines and their effective dates. The letters will also advise prescribers when Utilization Review (UR) is required and how to obtain more information. First Script will email all adjusters managing California injured workers, allowing them to determine how each claim will be impacted. First Script Account Managers will have access to a list of affected injured workers.

If you would like First Script to contact your injured workers, reach out to your Account Manager for more information.

As a courtesy, we have developed an adjuster-centric training available from your Account Manager. It explains how it will affect you as an approver and what you can expect after the formulary becomes effective.

Steps First Script has taken towards compliance

Compliance and transparency are important to you and to First Script. Therefore, we have updated the following:

- The MTUS based formulary drug list for California jurisdiction claims will be effective within First Script on January 1, 2018
- Messaging from Smart PAs to advise approvers on how to appropriately handle a prescription request after January 1, 2018

Overview of the Medical Treatment Utilization Schedule (MTUS) Drug Formulary

- A drug dispensed on or after 1/1/18 for outpatient use shall be subject to the MTUS Drug Formulary, regardless of the date of injury. For injuries prior to 1/1/18, the Drug Formulary should be phased in with the prescriber being responsible for setting a safe course of treatment including a process for safe weaning and including a progress report.
- Compound drugs must be authorized prospectively prior to being dispensed.
- A "combination drug," defined as "a fixed dose combination of two or more active drug ingredients into a single dosage form that is FDA-approved for marketing," shall be designated as an "unlisted" drug notwithstanding the ingredients that make up the combination drug, unless the combination drug is specifically included on the MTUS Drug List.
- For an unlisted drug, authorization through prospective review must be obtained prior to the time the drug is dispensed (refers to the Utilization Review process).
- The MTUS Drug Formulary does not apply to drugs administered to the patient by a physician. However, the physician-administered drug treatment is subject to relevant provisions of the MTUS, including the MTUS Treatment Guidelines.

- A physician may dispense one or more medications to an injured worker only if all of the following conditions are met: (1) the drug(s) to be prescribed/dispensed are in compliance with MTUS Treatment Guidelines; (2) the drug(s) to be prescribed/dispensed are designated as “Exempt” within the MTUS Drug List; (3) the drug(s) to be prescribed/dispensed are restricted to a 7-day supply; and, (4) dispensing of the drug(s) must occur within 7 days of the date of injury.
- The revised rules provide clarification on dispute resolution procedures.
- Drug list updates will occur between the Director and P&T Committee as needed, with adoptions occurring on a quarterly or more frequent basis if required. Updates will specify an effective date with changes and shall be posted on the division’s website.

Information provided by California

You may visit the DWC’s website at <https://www.dir.ca.gov/dwc/MTUS/MTUS.html>. It contains resources related to the implementation of the MTUS Drug Formulary, including recorded sessions of prior informational webinars, and guidance updates.

As always, we offer our support to you through your Account Manager and Account Pharmacist. Please contact either with any questions.