

MI Medicaid Pharmacy Liaison

June 4, 2026



MISSION:

Michigan Department of Health and Human Services (MDHHS) provides opportunities, services, and programs that promote a healthy, safe and stable environment for residents to be self-sufficient.

AGENDA:

Pharmacy Liaison June 4, 2026



- Welcome & Budget Update: Fiscal Year 2027 Executive Budget Updates
- State Plan Amendments: SPA MI-26-0006, Pharmacist Services
- Provider Letters Issued: L-26-17 340B Transparency Reporting
- Proposed & Upcoming Policy: 2607-Billing: Update to Requirements for Fee-for-Service Claim Inquiries
- Final Bulletins Issued: MMP 26-20 – Expansion of Coverage for Pharmacist-Provided Services
- Departmental Reminder: Provider Enrollment Updates & Modifications
- Departmental Updates: Rita Subhedar, State Assistant Administrator
 - Outcomes Based Contracts Website
 - CMS Cost-Savings Models Participation
- Carve-out Update
- Summary of MI Single PDL Changes – effective 6/01/2026

Budget Updates

- The Governor's [FY2027 Executive Budget Recommendation](#) (Fiscal Year ending 9/30/2027)
- House MDHHS Appropriations Bill - Introduced
 - [HB 5619](#): MDHHS Appropriations by line item. Passed the House 4/22/2026.
 - [Summary](#): Contains budget changes from FY 2025-26 Year-to-Date (YTD) Appropriations
 - **Sec. 1793**. Health Plan Pharmaceutical Encounter Data Report – NEW House requires department to evaluate and report on pharmacy encounter data. **Senate includes.**
 - **Sec. 1880**. Medicaid Pharmaceutical Quality and Clinical Standards – REVISED House revises to require utilization of generic and biosimilar pharmaceuticals, and prohibit requiring managed care plans to adhere to the state singled-preferred drug list. **Senate revises to remove limitations on GLP-1 coverage.**
- Senate MDHHS Appropriations Bill - Introduced
 - [SB 857](#): MDHHS Appropriations by line item. Reported in Senate 4/23/2026.
 - [SB 878](#): Appropriations Omnibus for all state departments. Passed the Senate 4/29/2026. [Summary](#)

State Plan Amendments



Submitted:

SPA MI-26-0006: Pharmacist Services

- Submitted to CMS: April 13, 2026
- Deadline for CMS Response: July 12, 2026

Provider L-letters



Provider Letter [L 26-17](#): Published March 13, 2026

Formal follow-up to Final Bulletin [MMP 23-72](#) regarding 340B Transparency Reporting, this L-letter noted:

- **Failure of any hospital participating in the 340B program to comply with MDHHS annual transparency reporting requirements by June 1, 2026, will result in the Department's referral of non-compliance to the Office of Inspector General for post-payment audit/recovery and/or possible sanctions.**
- Hospitals needing a Microsoft Excel template to use for their transparency report or having other questions about how they can send their report securely should email the MDHHSPharmacy340B@michigan.gov mailbox. Mailbox staff can provide a secure email for hospitals to reply with their transparency report.
- Please include 'Hospital Name/NPI - FYXX Annual 340B Transparency Report' in the email subject of your submitted report for Department tracking.

Proposed and Upcoming Policies



2607-Billing: Update to Requirements for Fee-for-Service Claim Inquiries

- Beginning September 1, 2026: MDHHS will require all providers to include a service request number as part of the relevant documentation required with a written claim inquiry.
- Service request numbers can be obtained by contacting Provider Support: 800-292-2550 or by email at: ProviderSupport@michigan.gov
- Any written claim inquiry submitted without a service request number will not be reviewed.

Final Policy Bulletins Issued



[MMP 26-20](#): Expansion of Coverage for Pharmacist-Provided Services [2614-Pharmacy](#): Consultation Summary

1. Ordering and administration of qualified immunizing agent
2. Ordering and administration of qualified laboratory tests by a pharmacist and ordering antiviral treatment
3. Prescribing and dispensing certain hormonal contraceptives, provide counseling for
4. Effective July 1, 2026

Departmental Reminder



Provider Enrollment Email: 4/16/2026

- Providers are required to keep up to date with their address information on file within their CHAMPS Provider Enrollment information.
- To update or modify address information on file refer to instructions on the [Provider Enrollment](#) webpage.
- Email noted this requirement from the [Medicaid Provider Manual](#), General Information for Providers Chapter, Section 3 – Maintenance of Provider Information:
 - Providers must notify MDHHS via the on-line system within 35 days of any change to their enrollment information. (Location & email addresses, licensing information, addition/change of a specialty, etc.)
- Failure to update may result in claim denials or have impacts on payment.

Providers with additional questions should contact Provider Support at: 1-800-292-2550 or by email at ProviderSupport@Michigan.gov

To subscribe to MDHHS Email Updates: <https://public.govdelivery.com/accounts/MIDHHS/subscriber/new>

Departmental Updates



1. NCPDP Standards

- Pharmacy Services is monitoring the new HIPAA-mandated NCPDP Standard and are working with our vendor to identify, test, and implement all necessary changes.
- Testing to begin last quarter of 2027
- Implementation: April 24, 2028

2. Rita Subhedar, State Assistant Administrator

- Outcomes-based Contracts: New MDHHS web page <https://www.michigan.gov/mdhhs/assistance-programs/medicaid/portalhome/medicaid-providers>
- CMS Cost-Savings Models Participation

Outcomes-based Contracts

Outcomes-based Contracts (OBC)

- Outcomes-based contracts (OBCs) are value-based agreements between Michigan Medicaid and pharmaceutical manufacturers. These agreements align drug pricing or payments with the observed or expected clinical value of a drug in a defined patient population.
- Manufacturers provide rebates and price concessions to states based on outcomes, making the therapy more affordable.
- States implement access policies, allowing more Medicaid beneficiaries to access the therapies.

Current Active OBCs:

- Zolgensma
- Mavyret
- Zynteglo
- Lyfgenia
- Casgevy
- Elevidys

OBCs for Special Drug Coverage

- MDHHS uses OBCs to offset the costs of special coverage for high-cost drugs as well as cell and gene therapies.
 - Carving inpatient drugs out of hospital bundled payments
 - Carving PADs out of Medicaid Health Plans and covering through Fee-for-Service
 - PADs covered as pharmacy claims

For More Information on OBCs



- Website: <https://www.michigan.gov/mdhhs/assistance-programs/medicaid/portalhome/medicaid-providers/outcomes-based-contracts>
- Email: MDHHS-OutcomesBasedContr@michigan.gov

Participation in CMS Cost Savings Models

CMS Cost Savings Models

- CMS is testing several new payment models to control drug costs:
 - Cell & Gene Therapy Access Model
 - GENERating cost Reductions fOr U.S. Medicaid (GENEROUS) Model
 - Better Approaches to Lifestyle and Nutrition for Comprehensive Health (BALANCE) Model

Cell & Gene Therapy (CGT) Access Model

- The CGT Access Model brings CMS, states, and drug manufacturers together to improve access to FDA-approved cell and gene therapies – primarily through OBCs.
- Under the model, CMS negotiates a contract with pharmaceutical manufacturers on behalf of states. The terms include a standard access policy and prices (including a variety of rebates) tied to outcomes.
- MDHHS has opted to participate in the model from 1/1/26-12/31/36.

CGT Access Model (cont'd)

- The Model's initial focus is on the new FDA-approved gene therapies to treat SCD:
 - **Casgevy** (exagamglogene autotemcel) - \$2.2 million
 - **Lyfgenia** (lovotibeglogene autotemcel) - \$3.1 million
- Under the agreements negotiated by CMS, manufacturers pay rebates and price concessions tied to outcomes (e.g. VOE occurring during a certain time period after treatment; anti-sickling hemoglobin values)

For More Information on CGT Access Model



- Website: <https://www.cms.gov/priorities/innovation/innovation-models/cgt>
- Email: CGTModel@cms.hhs.gov

GENEROUS Model

- Participating manufacturers will provide supplemental rebates to Medicaid to align net prices with what certain other countries pay
 - Calculated based upon the second lowest price offered in Most Favored Nations (Canada, France, Germany, Italy, Japan, United Kingdom, Denmark and Switzerland).
- States may choose to use the Most Favored Nations (MFN) price for certain products offered by the manufacturer.
- MDHHS has submitted an application to participate.
- MFN pricing would be available starting January 1, 2027.

Manufacturers Participating in GENEROUS Model

- AstraZeneca
- Pfizer
- EMD Serono
- Novo Nordisk
- Eli Lilly
- Novartis

For More Information on GENEROUS Model:

- Website: <https://www.cms.gov/priorities/innovation/innovation-models/generous>
- Email: GENEROUSModel@cms.hhs.gov

BALANCE Model

- CMS has negotiated supplemental rebates with Eli Lilly and Novo Nordisk for GLP-1s.
- Model launches January 1, 2027.
- Participation requires states to cover GLP-1s for beneficiaries with a BMI of 35 or greater, or a BMI as low as 27 with certain comorbidities.
 - This currently conflicts with our recent policy under Public Act 22 of 2025, which limits GLP-1 coverage to BMIs of 40 or greater. Therefore, MDHHS is currently unable to participate.

For More Information on BALANCE Model



- Website: <https://www.cms.gov/priorities/innovation/innovation-models/balance>
- Email: BALANCEModel@cms.hhs.gov

Questions?

HEALTH PLAN CARVEOUT UPDATE



Medicaid Health Plan Carve-out Webpage:

- <https://www.michigan.gov/mdhhs/doing-business/providers/providers/medicaid-health-plan-carve-out>

Medicaid Health Plan Pharmacy Program Carve-out

Newly Added:

- W5W – ARTV-NUCLEOSIDE ANALOGS AND NON-NUCLEOSIDE RTI CMB)
 - HIV antiretrovirals NNRTI combos such as Idvynso
 - Effective 5/5/2026

Single PDL Updates

Single PDL & Brand Over Generics: Effective 6/1/2025

1. **Brand over Generic List** can be found here:
<https://mi.primetherapeutics.com/>> Providers > Documents
 - **Effective 7/1/2026: Brand Vyvanse will no longer be preferred.**
2. Quarterly, the MCO Common Formulary workgroup provides recommendations on Single PDL coverage for P&T Workgroup consideration. The P&T Committee makes clinical recommendations for both the Michigan Pharmaceutical Product List (MPPL) and the subset of drugs on the Single PDL.
3. New quarterly web posting '**Summary of PDL changes**' to better inform prescribers and pharmacies.
 - <https://mi.primetherapeutics.com/>> "Recent Changes – MI Single Preferred Drug List (Single PDL)"
4. The next quarterly PDL updates will take effect August 1, 2026.

Pharmacy Resources



- MDHHS Policy Bulletins:
 - www.michigan.gov/medicaidproviders > Policy, Letters & Forms
- Web Announcements:
 - <https://mi.primetherapeutics.com/> > Providers > Announcements
- DUR Board:
 - <https://mi.primetherapeutics.com/provider/drug-utilization-review>
- P&T Committee:
 - <https://mi.primetherapeutics.com/provider/pharmacy-therapeutic>
- Prime Therapeutics Technical Call Center Phone: 877-624-5204
 - MDHHS Pharmacy Services contact: MDHHSPharmacyServices@Michigan.gov
- Vicki Goethals
 - goethalsv@michigan.gov (Medicaid Pharmacy Policy Specialist)

2026 Pharmacy Liaison Meetings



- Will continue in 2026 on the first Thursday of every calendar year quarter, 2:30pm-4:30pm.
- Quarterly meeting invitations were sent December 23, 2025 (4 of them)
 - These include meeting Notices and links to join.
 - <https://mi.primetherapeutics.com/> >> Provider >> Pharmacy Liaison
 - Schedule (via Microsoft Teams)
 - Meeting Information will be sent ahead of meeting date/time
 - Notices, Agenda, Materials
 - Meeting Summary will be posted after each meeting
- 2026 Meeting Dates
 - September 3rd
 - December 3rd
- Please notify me of any individuals who need to be added to the email distribution list.
 - goethalsv@michigan.gov

Open Discussion



Accurate NDC Representation on Billing

- After further review with Pharmacy Services and OIG staff, we would like to point pharmacy liaisons to the following Medicaid Provider Manual, **Pharmacy Chapter Sections**
- **13.4 PRODUCT COST PAYMENT LIMITS**
 - Product Cost Payment Limits are based on the NDC the pharmacy identifies as the product that was dispensed. ...Misrepresentation of the product's NDC results in denied payment and fraud/abuse sanctions subject to applicable Federal and State laws.
- **17.2 NATIONAL DRUG CODE ACCURACY**
 - MDHHS invoices pharmaceutical Labelers for rebates quarterly from the pharmacy paid claims history. Pharmacies must bill the actual NDC for a product dispensed. Pharmacies may be contacted periodically to verify product utilization and cost.
- In cases where (i.e., invoice reconciliation audits), the pharmacy discovers they submitted the wrong NDC on the claim to our program, they can reverse/rebill with the corrected NDC to ensure they are compliant with MPM policies/requirements. This is important for purposes of the accuracy of our drug utilization data, drug manufacturer rebate invoicing, payments, etc.