

DEPARTMENT OF HEALTH SERVICES
COUNTY OF LOS ANGELES**SUBJECT:** OUTPATIENT PHARMACY SERVICES**POLICY NO.** 343

PURPOSE:: To set forth the Department's policy in providing and charging for pharmacy services to outpatients.

POLICY:: All Department outpatient facilities will provide or arrange for patients to receive appropriate prescribed medications as part of the clinic visit service charges when:

- Required by specific legal or contractual provisions
- The patient will otherwise be unable to afford or obtain them;
- The medication is judged critical to the patient's continued well-being.

Facilities may fill other prescriptions at cost on a 3rd party claim or cash and carry basis. Facilities shall seek to inform outpatients of pharmacy services and benefits available, and shall develop appropriate screening and other procedures to provide pharmacy services in conformity with this policy.

GUIDE:: A. Appropriate Prescribed Medications

1. Each facility shall develop a drug formulary, applicable to outpatients, to be included as part of an overall pharmacy written practice.
2. Unless specifically approved under the authority of the facility's Medical Director, in consultation with the pharmacy and therapeutics or equivalent committee, no drug, dosage or quantity beyond the Medi-Cal formulary will be included in the formulary of a Department of Health Services' facility. Each Medical Director shall approve such exceptions only on one or more of the following grounds:
 - a. The drug or dosage has been demonstrated to be more effective in treating specific medical conditions than any drug or dosage on the Medi-Cal formulary.
 - b. The drug or quantity is a less costly alternative to a Medi-Cal formulary drug or quantity.
3. No non-formulary drug, dosage, or quantity shall be prescribed or dispensed unless specifically approved under the authority of the Facility's Medical Director, in consultation where possible with the pharmacy and therapeutics or equivalent committee, for reasons of medication effectiveness, or economy.
4. The Medical Director, Health Service, will interpret these provisions.

B. Medications Provided As Part of Clinic Services' Charge

1. Facilities shall provide or arrange through contract for the following outpatients to receive "appropriate prescribed medications," as part of the outpatient service provided and at no additional charge:
 - a. Patients with a determined Ability-to-Pay Liability of less than \$20 including General Relief recipients.
 - b. Patients who are in custody or are wards of the County or are clients in County residential care programs.
 - c. Patients with an undetermined liability who are seen on an emergency basis pursuant to Policy 516.
 - d. Members of County-sponsored Prepaid Health Plans offering outpatient pharmacy benefits.
 - e. Patients required to received outpatient medications pursuant to contract or agreement.
 - f. Patients with a determined A-T-P Liability of @20 or more, or with an undetermined liability who are not seen on an emergency basis pursuant to Policy 516, whose prescriptions fall within the critical medication provisions described in Paragraph C below.
 - g. Patients seen in clinics designated as Public Health Clinics by the Deputy Director, Public Health.
2. Each facility shall identify and report monthly the direct County costs of providing thses medications. DHS finance shall receive and consolidate these reports and identify expenditure exceptions.
3. The Director of the Office of Planning, Management and Evaluation will interpret these provisions.

C. Critical Medications

1. Prescribed medications deemed critically important to the patient's well-being shall be provided without further charge to patients in category B.1.(f), above.
2. Each facility shall establish procedures for conforming to the critical medication provisions, and a list of those medications which are deemed critical.
3. The Department's Medical Director will periodically review critical medical lists and provide recommendations regarding appropriateness and consistency.

D. Paying or 3RD Party Covered Patients - Referrals and Collections

1. Facilities which refer paying or 3rd-party-covered patients to non-County pharmacies shall develop and follow written procedures governing these referrals, to be included within the facilities' outpatient pharmacy practices.

2. Facilities which do fill prescriptions for paying or 3rd-party-covered patients shall:
 - a. Fill only prescriptions written for patients seen in County facilities
 - b. Make arrangements with Medi-Cal as deemed appropriate by and with technical assistance from DHS finance to separately claim Medi-Cal reimbursement for outpatient pharmacy services.
 - c. Submit Treatment Authorization Requests to Medi-Cal when appropriate for medications, dosages, or quantities not on the Medi-Cal formulary
 - d. Bill other 3rd party payors where appropriate.
 - e. Collect from paying patients at the time the medication is dispensed the County cost of the medication (as shown on the on-line pharmacy system) plus a dispensing fee established jointly by each facility and DHS finance.
3. The Director, Office of Planning, Management and Evaluation shall interpret the referral and dispensing aspects of this policy. The Deputy Director, Finance, shall interpret the claims and collections provisions, and insure that costs are recovered.

E. Public Information Program

1. Each facility shall post and/or provide outpatients with notices informing them of County pharmacy services and how to obtain them.
2. The Office of Planning, Management and Evaluation shall interpret this provision with the assistance of the Public Information Officer, DHS.

EFFECTIVE DATE: Aug 15, 1983

SUPERCEDES:

APPROVED: Signature on File
