IOWA MEDICAID ENTERPRISE

To: Pharmacy Providers

From: Iowa Medicaid Enterprise (IME)

Subject: Notification Of Change In Payment Status For Legend Polyethylene Glycol 3350 (PEG) Products By The Centers For Medicare & Medicaid Services (CMS)

Effective: May 8, 2009

The Iowa Medicaid Enterprise would like to inform pharmacy providers that effective April 23, 2009, CMS has changed the DESI status of the following products from a payable DESI 2 code (safe and effective or Non-DESI) to a non-payable DESI 5 code (indicates a less-than-effective or DESI drug). Please refer to the complete CMS notification posted at www.iowamedicaidpdl.com under CMS Updates.

- 00574-0412 Polyethylene Glycol 3350 NF Powder for Oral Solution
- 10572-0810 Miralax
- 49884-0146 Polyethylene Glycol
- 51991-0457 Polyethylene Glycol 3350 NF
- 52268-0800 Miralax
- 62175-0442 Glycolax

As a result these legend drugs are no longer payable by Iowa Medicaid. Effective May 8, 2009 Polyethylene Glycol 3350 powder (MiraLAX®) will become an OTC payable drug for members under the age of 19. NDCs on existing legend PEG prior authorizations for members under the age of 19 will be changed by IME to reflect a payable OTC product. OTC PEG will be payable without prior authorization for members through the age of 12. For members 13 through 18 years of age, OTC PEG will be non-preferred and require prior authorization. OTC PEG will not be covered for members 19 years of age and older. The following NDCs will be added to the OTC Drug List posted at www.iowamedicaidpdl.com.

<table>
<thead>
<tr>
<th>NDC</th>
<th>Drug Name</th>
<th>Package Size</th>
<th>OTC MAC</th>
</tr>
</thead>
<tbody>
<tr>
<td>11523-7234-03</td>
<td>Polyethylene Glycol 3350 Powder (MiraLAX®)</td>
<td>238gm</td>
<td>0.0372</td>
</tr>
<tr>
<td>11523-7234-04</td>
<td>Polyethylene Glycol 3350 Powder (MiraLAX®)</td>
<td>510gm</td>
<td>0.0339</td>
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<tr>
<td>11523-7234-09</td>
<td>Polyethylene Glycol 3350 Powder (MiraLAX®)</td>
<td>510gm</td>
<td>0.0255</td>
</tr>
</tbody>
</table>

Thank you for your cooperation in this matter. If you have any questions please call the Point-of-Sale Help Desk at 1-877-463-7671 or 515-725-1107 (local in Des Moines).