

30-Day Countdown: Upcoming Changes to Medi-Cal Rx

December 1, 2025

Background

As previously announced in the alert titled <u>60-Day Countdown: Upcoming Changes to Medi-Cal Rx</u> and pursuant to the enacted <u>2025-26 State Budget</u>, the Department of Health Care Services (DHCS) is implementing a series of Medi-Cal Rx policy updates over the coming months to reduce pharmacy spending, improve program integrity, and ensure continued, equitable access to quality pharmacy benefits and services.

What Pharmacy Providers and Prescribers Need to Know

Effective January 1, 2026, Medi-Cal Rx will implement the following policy updates:

GLP-1 Drugs

Wegovy®, Zepbound®, and Saxenda®

The following GLP-1 drugs are currently listed on the <u>Medi-Cal Rx Contract Drugs List</u> (CDL) and have a Code I diagnosis restriction of *Chronic Weight Management*. Effective January 1, 2026, these drugs will be removed from the CDL and will no longer be eligible for coverage for **weight loss** or **weight loss-related indications**:

- Wegovy
- Zepbound
- Saxenda

Effective January 1, 2026, claims for these three drugs will deny with **Reject Code 70 – Product/ Service Not Covered** regardless of indication, and previously approved prior authorizations (PAs) will expire. PA requests for these drugs will be considered in the following situations, on a case-by-case basis:

- Wegovy when used for noncirrhotic metabolic dysfunction-associated steatohepatitis (MASH) or cardiovascular disease
- Zepbound when used for obstructive sleep apnea (OSA)

Other GLP-1 Drugs

The following GLP-1 drugs are currently on the <u>CDL</u> and will continue to have a Code I diagnosis restriction of type 2 diabetes. Effective January 1, 2026, these drugs will no longer be eligible for coverage for **weight loss** or **weight loss-related indications**:

- Ozempic[®]
- Rybelsus®
- Mounjaro®
- Victoza®
- Byetta
- Bydureon®
- Trulicity® (Code I diagnosis restriction will be effective January 1, 2026)

Claims for these seven drugs will continue to deny with **Reject Code 80 – Diagnosis Code Submitted Does Not Meet Drug Coverage Criteria** when the Code I diagnosis restriction is not met. PA requests submitted for non-weight loss indications will be reviewed for coverage consideration based on medical necessity.

Note: Effective January 1, 2026, PA requests submitted for weight loss or weight loss-related indications will be reviewed for medical necessity for members younger than 21 years of age pursuant to the federal Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit.

Over-the-Counter (OTC) COVID-19 Antigen Tests

OTC COVID-19 antigen tests will require a PA request for all Medi-Cal members unless written by a California Children's Services (CCS) Paneled Provider for a pediatric member younger than 21 years of age (refer to the *Now Available: CCS Panel Authority Policy Exclusions on the Medi-Cal Rx Approved NDC List* alert for more information). Pharmacy claims for these tests may be approved on a case-by-case basis with medical justification demonstrating the need for suspected COVID-19 exposure or infection. Providers must include the following information with the PA request:

- International Classification of Diseases 10th Revision (ICD-10) diagnosis code
- Signs and symptoms exhibited
- Date of most recent COVID-19 test taken
- Documentation of medical necessity, such as recent exposure, active signs and symptoms, previous diagnosis, or suspected ongoing infection

Note: PAs are only approved for a one-time override and cannot be renewed. A new PA request will be required for each pharmacy claim for an OTC COVID-19 antigen test. Additionally, approvals are limited to up to four tests per month, per Medi-Cal member. It is important to remind Medi-Cal members that there may be additional alternative COVID-19 testing coverage options available through their pharmacy provider, prescriber, or Medi-Cal managed care plan (MCP). Additional information regarding OTC COVID-19 antigen test coverage will be provided in the updated *Medi-Cal Rx Provider Manual* after January 1, 2026.

Continuing Care

Certain drugs and products that are currently paying as continuing care exceptions will no longer be covered without an approved PA demonstrating medical necessity. This policy will apply to all Medi-Cal members. The following drugs and products will be impacted:

- Chlorpromazine 25 mg/ml and 50 mg/2 ml ampules and vials
- Fluphenazine 2.5 mg/ml vial
- Haloperidol deconate 50 mg/ml and 100 mg/ml ampules
- Haloperidol lactate 5 mg/ml ampules, vials, and syringes
- Timolol 0.25% and 0.5% gel-solution
- Timolol maleate 0.25% and 0.5% eye solution
- Bimatoprost 0.03% eye drops
- Adhansia XR (methylphenidate) 25 mg, 35 mg, 45 mg, 55 mg, 70 mg, and 85 mg capsules

Note: Approval of select noncovered drugs as a paid benefit will first require use of a therapeutic alternative drug listed on the <u>CDL</u>.

As this policy change may result in benefit coverage changes for some Medi-Cal members, DHCS issued letters in late October directly to only those Medi-Cal members who have been receiving one or more of these medications, as identified from a claim within the last 100 days.

Coverage Policies for Select OTC Products

Note: The following OTC coverage policy updates will not impact members when the prescription is written by a CCS Paneled Provider under the CCS Panel Authority policy.

Select OTC Products

Coverage policies for select OTC products for Medi-Cal members 21 years of age and older under Medi-Cal Rx will be updated as follows:

- Multivitamin combination products will no longer be covered.
- Certain single-ingredient vitamins and dry eye products will require a PA request demonstrating medical necessity.
- First- and second-generation antihistamines coverage are restricted to generic formulations.
- Single-ingredient vitamins and antihistamines will be restricted to a 90- to 100-day supply per fill for all Medi-Cal members 21 years of age and older.

OTC Prenatal Vitamins

OTC prenatal vitamins will be limited to use during pregnancy or lactation conditions for Medi-Cal members between 10 and 60 years of age. Additionally, claims for these items will be restricted to a 90- to 100-day supply per fill for maintenance supplies. The initial fill will be approvable for a 30-day supply to ensure the Medi-Cal member can tolerate the vitamin.

Step Therapy

Medi-Cal Rx will continue to prefer the use of drugs/products listed on the CDL(s) on the Contract Drugs & Covered Products Lists page prior to considering approval of a drug/product requiring a PA request.

- Providers should consider prescribing covered therapies that may not require a PA.
- If a covered drug/product is not clinically appropriate, submit a PA request establishing medical necessity.
- Providers are required to include drugs/products tried and considered and the reason(s) why
 those drugs/products do not meet the needs of the member when submitting PA requests.
 Refer to the <u>Reminder: Establishing Medical Necessity</u> alert.

Continuation of therapy, which refers to when a member previously used or is currently using the drug/product, will not suffice as justification for approval.

This change will impact all members regardless of eligibility, age, and specialty program enrollment.

What Pharmacy Providers and Prescribers Need to Do

- Review the <u>Budget Information</u> page on the DHCS website.
- Review the California Budget 2025-26 website.
- Visit the <u>Education & Outreach</u> page on the <u>Medi-Cal Rx Web Portal</u> and select the **State** Budget Policy Updates tab.
- Attend one of the upcoming Office Hours hosted by Medi-Cal Rx to address stakeholder questions and review how state budget policy updates will impact Medi-Cal Rx. The link can be found on the State Budget Policy Updates tab. Office Hours will be held from 12 p.m. to 1 p.m. on the following dates:
 - December 12, 2025
 - December 19, 2025
 - January 9, 2026
 - January 16, 2026
- Review the <u>Medi-Cal Rx State Budget Policy Updates Frequently Asked Questions (FAQs)</u>,
 which is available on the State Budget Policy Updates tab and the <u>FAQ</u> page on the
 <u>Medi-Cal Rx Web Portal</u>.

Contact Information

You can call the Medi-Cal Rx Customer Service Center (CSC) at 1-800-977-2273, which is available 24 hours a day, 7 days a week, 365 days per year.

For other questions, email Medi-Cal Rx Education & Outreach at MediCalRxEducationOutreach@primetherapeutics.com.