APA-4

CERTIFICATION OF EMERGENCY RULES
FILED WITH THE
LEGISLATIVE SERVICES AGENCY
OTHNI LATHRAM, DIRECTOR

Pursuant to Code of Alabama 1975, §§41 22 5(b) and 41 22 6(c)(2)a. and b.

I certify that the attached emergency **amendment** is a correct copy as promulgated and adopted on Friday, May 1, 2026.

AGENCY NAME:	Alabama Medicaid Agency
RULE NO. AND TITLE:	560-X-16-.28 Prior Authorization
EXPIRATION DATE OF RULE:	Saturday, August 29, 2026

NATURE OF EMERGENCY: The above referenced rule is being amended to clarify prior authorizations.

STATUTORY AUTHORITY:	State Plan Attachment 3.1-A and 4.19-B; Title XIX, Social Security Act; 42 CFR Section 447.331 & Section 401, et seq.; Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508)
SUBJECT OF RULE TO BE ADOPTED ON A PERMANENT BASIS:	Yes
NAME, ADDRESS, AND TELEPHONE NUMBER OF PERSON TO CONTACT FOR COPY OF RULE:	Administrative Secretary Alabama Medicaid Agency 501 Dexter Avenue Post Office Box 5624 Montgomery, Alabama 36103-5624 Phone: (334) 353-3399

Timothy "Bo" A. Offord, Jr.
Timothy Offord

Signature of officer authorized to promulgate and adopt rules and regulations or his or her deputy

REC'D & FILED
MAY 1, 2026
LEGISLATIVE SVC AGENCY

560-X-16-.28 Prior Authorization.

(1) The use and payment of drug items may be restricted and require prior authorization. The Alabama Medicaid Agency will utilize the Pharmacy and Therapeutics Committee to review and recommend drugs for prior authorization.

(2) Drug class is defined as a therapeutic group of pharmaceutical agents approved by the FDA as defined by the American Hospital Formulary Service. Medicaid or the Pharmacy and Therapeutics Committee may recommend a review to determine if prior authorization is appropriate for a single drug or a drug class. The Pharmacy and Therapeutics Committee will conduct such reviews, submit clinical data to Medicaid and make a recommendation. The Medicaid Commissioner will make the determination for placement on prior authorization.

(3) The requirement for prior authorization of a drug will be based on a clinical review by the Pharmacy and Therapeutics Committee of all relevant clinical and medical considerations including, but not limited to, Medicaid Drug Utilization Review (DUR) data, Surveillance Utilization Review (SUR) data, potential abuse, misuse, or inappropriate prescribing and/or dispensing patterns by Alabama providers, inconsistency with FDA approved labeling, inconsistency with uses recognized in the American Hospital Formulary Service Drug Information, the authoritative source on sound clinical evidence found in labeling, drug compendia, and peer reviewed clinical literature on use of the drug.

(4) Clinical bases for recommendations of the Pharmacy and Therapeutics Committee will be in writing and available upon written request. Recommendations contrary to prevailing clinical evidence will be justified in writing and available upon written request. Medicaid will prepare a synopsis of the clinical reasoning supporting recommendations which will be available upon written request.

(5) Medicaid may require prior authorization for generic drugs only in instances when the cost of the generic product is significantly greater than the net cost of ~~the brand~~another product in the same American Hospital Formulary Services (AHFS) therapeutic class or when there is a ~~clinical~~ concern regarding safety, overuse or abuse of the product. Medicaid must document the reason for prior authorization of any generic product to include the cost effectiveness of such action or clinical concern.

(6) Medicaid will develop a set of medical criteria specifying the requirements for coverage authorization. The criteria will be available to the public.

(7) Requests for prior authorization must be initiated by the practitioner when deemed medically necessary.

(8) Prior authorizations will be reviewed by Medicaid or its designated agent. When medical criteria as determined by Medicaid are met, the prior authorization will be granted. If denied, adequate medical justification may be submitted in writing by the prescribing physician for reconsideration.

(9) Responses to requests for prior authorization should be issued within eight (8) hours but in no case more than twenty-four (24) hours after receipt of the request. In cases of emergency, provisions are made for dispensing a seventy-two (72) hour supply of a covered outpatient prescription drug.

(10) Effective March 18, 2011, the Alabama Medicaid Agency will implement a Gold Standard Program, an incentive program for high PDL complaint prescribing providers that will reward a limited group of providers with prior authorization (PA) exemption of drugs when certain prescription-based criteria are met in a given timeframe on regular basis. Certain exclusions will apply. Alabama Medicaid will determine which providers meet and maintain the Gold Standard program criteria on a regular basis.

Author: ~~Tiffany Minnifield, Associate Director,~~Jack Wanschek, Pharm.D., Clinical Pharmacy ~~Administrative Services~~Director

Statutory Authority: State Plan Attachment 3.1-A and 4.18-B; Title XIX, Social Security Act; 42 CFR Section 447.331 & Section 401, et seq.; Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508).

History: **New Rule:** Filed August 13, 2004; effective September 17, 2004. **Amended:** Filed June 10, 2005; effective July 15, 2005. **Amended:** Filed February 11, 2011; March 18, 2011. **Amended (ER):** Filed May 1, 2026; effective May 1, 2026; expires 120 days, August 29, 2026.