Alabama Medicaid Pharmacist

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Preferred Drug List (PDL) Update

Effective April 1, 2026, the Alabama Medicaid Agency updated the Preferred Drug List (PDL) to reflect the recent Pharmacy and Therapeutics (P&T) Committee's recommendations as well as quarterly updates. The updates are listed below:

PDL Additions
Insulin Glargine Max Solostar (generic Toujeo Max Solostar)—Insulins
Insulin Glargine Solostar (generic Toujeo Solostar)—Insulins
Journavx[CC]—Analgesics and Antipyretics
Rivaroxaban (generic Xarelto)—Oral Anticoagulants
PDL Deletions
Toujeo Max Solostar—Insulins
Toujeo Solostar—Insulins

[CC]This agent will be preferred with clinical criteria in place.

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Please fax all prior authorization and override requests *directly* to Acentra Health at 800-748-0116. If you have questions, please call 800-748-0130 to speak with a call center representative.

Dispense as Written (DAW) Code of 9 Updates

In cases of cost-effectiveness, the Alabama Medicaid Agency sometimes allows for reimbursement of certain brand named medications while requiring prior authorization for the generic alternative. In these cases, a Dispense as Written (DAW) Code of 9 must be used when dispensing the preferred brand named medication. A DAW Code of 9 indicates that substitution is allowed by the prescriber but Alabama Medicaid requests the brand product be dispensed. The DAW 9 code will override the generic AAC rate for that drug grouping, allowing the pharmacy to be reimbursed at the brand AAC (or WAC-4% if no AAC is available) rate for a brand drug. Drugs must be listed below to be eligible for brand reimbursement with a DAW 9 override. **The list is subject to change.** For additional PDL and coverage information, visit our drug-lookup site at https://www.medicaid.alabamaservices.org/alportal/NDC%20Look%20Up/tabId/5/Default.aspx.

Brand	Generic
Advair Diskus	Fluticasone/Salmeterol Inhalation Device
Advair HFA	Fluticasone/Salmeterol HFA
Anoro Ellipta	Umeclidinium-Vilanterol
Bepreve	Bepotastine Besilate Ophthalmic Solution
Bethkis	Tobramycin Inhalation Solution
Breo Ellipta	Fluticasone Furoate/Vilanterol
Copaxone	Glatopa/Glatiramer
Daytrana	Methylphenidate Transdermal Patch
Dymista	Azelastine/Fluticasone Nasal Spray
Elidel	Pimecrolimus
Farxiga	Dapagliflozin
Kazano	Alogliptin/Metformin HCL Tablet
Kitabis	Tobramycin Inhalation Solution
Lantus	Insulin Glargine (U-100)
Myrbetriq	Mirabegron
Oseni	Alogliptin/Pioglitazone Tablet
Premarin Tablets	Conjugated Estrogens Tablets
Ravicti	Glycerol Phenylbutyrate
Spiriva Handihaler	Tiotropium Bromide
Symbicort	Budesonide/Formoterol Fumarate Inhalation
Victoza[CC]	Liraglutide
Vyvanse Capsules	Lisdexamfetamine Dimesylate
Xigduo XR	Dapagliflozin/Metformin ER

[CC]Preferred with Clinical Criteria

Appropriate Utilization of Dispense as Written (DAW) Codes

Dispense as Written (DAW), also known as product selection codes, are an integral part of accurate billing to the Alabama Medicaid Agency and provide the agency with the reason why a specific brand or generic is dispensed based on the prescriber's instructions. Failure to accurately use DAW codes results in misinformation to the Pharmacy program and its decision-making process. Misinformation on claims may also result in retrospective pharmacy review, recoupment, or both. Inaccurate usage of DAW codes is among one of the discrepancies found during an audit and is one of the Primary Pharmacy Audit Components listed in the Provider Billing Manual Section 27.2.6. The following codes are the various DAW codes available to the Alabama Medicaid Pharmacy program with explanations that have been taken from the National Council on Prescription Drug Programs (NCPDP) version 5.1 data dictionary for field 408-D8 Product Selection Codes. Providers should use the correct codes based upon the information submitted on the prescription and the prescriber's signature.

0 = No Product Selection Indicated—This is the field default value that is appropriately used for prescriptions where product selection is not an issue. Examples include prescriptions written for single source brand products and prescriptions written using the generic name and a generic product is dispensed.

1 = Substitution Not Allowed by Prescriber—This value is used when the prescriber indicates, in a manner specified by prevailing law, that the product is to be Dispensed as Written.

2 = Substitution Allowed-Patient Requested Product Dispensed—This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted, and the patient requests the brand product. This situation can occur when the prescriber writes the prescription using either the brand or generic name and the product is available from multiple sources. *(Not permitted by Alabama Medicaid)*

3 = Substitution Allowed-Pharmacist Selected Product Dispensed—This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted, and the pharmacist determines that the brand product should be dispensed. This can occur when the prescriber writes the prescription using either the brand or generic name and the product is available from multiple sources.

4 = Substitution Allowed-Generic Drug Not in Stock—This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted, and the brand product is dispensed since a currently marketed generic is not stocked in the pharmacy. This situation exists due to the buying habits of the pharmacist, not because of the unavailability of the generic product in the marketplace.

5 = Substitution Allowed-Brand Drug Dispensed as Generic—This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted, and the pharmacist is utilizing the brand product as the generic entity.

6 = Override *(Not permitted by Alabama Medicaid)*

7 = Substitution Not Allowed-Brand Drug Mandated by Law—This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted but prevailing law or regulation prohibits the substitution of a brand product even though generic versions of the product may be available in the marketplace.

8 = Substitution Allowed-Generic Drug Not Available in Marketplace—This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted and the brand product is dispensed since the generic is not currently manufactured, distributed, or is temporary unavailable. *(In the event of an audit, provider shall make available documentation to validate product unavailability).*

Appropriate Utilization of Dispense as Written (DAW) Codes, continued

9 = Other/Substitution Allowed-Plan Requests Brand Dispensed—This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted, but the plan's formulary requests the brand product to be dispensed.

To indicate instructions to the dispensing pharmacy, a physician simply signs the prescription in a manner specified by prevailing law to indicate to a providing pharmacy whether or not generic substitution is allowed. Effective May 1, 2008, an override form and Medwatch 3500 form is required in order to medically justify a provider's reason for requesting a branded product when an exact generic equivalent is available. DAW overrides and the Medwatch 3500 form should be submitted to Acentra Health.

Public Posting of Prior Authorization Metrics—CMS Interoperability and Prior Authorization Final Rule

Effective March 31, 2026, the Alabama Medicaid Agency (Medicaid) will begin publishing Prior Authorization (PA) metrics on the public website in accordance with the CMS Interoperability and Prior Authorization Final Rule (CMS-0057-F).

Under this federal requirement, state Medicaid programs must publicly report certain performance metrics related to the processing of non-pharmacy prior authorization requests. These metrics are intended to increase transparency and accountability regarding PA decision timelines.

Metrics are reported in aggregate form only and do not include provider-specific or beneficiary-specific information.

The PA metrics are updated annually as required under federal regulations at https://medicaid.alabama.gov/content/2.0_Newsroom/2.9_CMS_Required_Reports/2.9.1_Prior_Authorization_Metrics.aspx.

To support timely review and processing, providers should submit complete and accurate prior authorization requests with all required supporting documentation.