Iowa Medicaid Outpatient Pharmacy Carve-Out

HHS Pharmacy Team

Objectives

- Overview of Outpatient Pharmacy Benefit Carve-Out
- Key Benefits of Transition
- Member Impacts
- Prior Authorizations
- Member Medicaid Cards

Overview

The Outpatient Pharmacy Carve-out

- Removing the outpatient pharmacy program from the MCOs to FFS

Begins December 1, 2026

- Iowa Medicaid is transitioning the pharmacy benefit from managed care to a single statewide pharmacy vendor, Optum Rx.

Pharmacy & Medical Benefit

- Physician-administered medications (including vaccines) & DME will remain under the medical benefit respective to the member's overall plan.

Key Benefits of Transition

- The pharmacy program will be state-administered and not managed by a pharmacy benefit manager (PBM). Optum Rx will serve as the pharmacy benefit administrator (PBA).
- Pharmacies will work with one vendor for pharmacy claims and prior authorizations instead of four.
- Provider enrollment and claims processing will be more efficient, with pharmacies tracking payments from a single entity.



Member Impacts

- Member's pharmacy benefit coverage will not change
- All members will use their State of Iowa eligibility card for outpatient pharmacy services.
- Members will receive a new MCO card without pharmacy information
- Members will continue to use their MCO card for medical services

Prior Authorizations

MCO approved prior authorizations (PAs) will not be affected by the pharmacy benefit carve-out.

- If a member has an active PA for a prescription approved by their Managed Care Organization, the PA will remain in effect for the life of the PA approval.
- Members do not need a new PA due to the carve-out.
- The transition will not interrupt access to medications that already have an approved, active PA.

Member Cards

Members will receive a new MCO ID card as part of the transition.

- The new MCO card will not include pharmacy benefit processing information.
- Members will not receive a new State of Iowa Medicaid card.
- Members can present their State of Iowa Medicaid card at the pharmacy when filling prescriptions.

Billing Information

FFS Pharmacy Benefit Processing Information

- **ID:** Member's State Medicaid ID
- **BIN:** 011933
- **PCN:** IAPOP

Members should present their Iowa Medicaid card at the pharmacy when filling prescriptions.

Contact Information

Now through 11/30/2026, contact your MCO:

Iowa Total Care:

- Phone:1-833-404-1061
- Email: chat/text/email through the online Member Portal.

Molina:

- Phone:1-844-236-0894
- Email: iaproviderrelations@molinahealthcare.com

Wellpoint:

- Phone: 1-833-731-2140

After 12/01/2026, contact Iowa Medicaid Member Services:

- Phone: 1-800-338-7909
- Email: IMEMemberServices@hhs.iowa.gov

IOWA™ | Health and Human Services

Questions

