

Radiant Services, LLC. ("Radiant")

Policy Type		Utilization Review/Management Processes	
Title	PA PBM 02 - Formulary Exceptions and Continuity of Care Policy		
Effective Date	April 1, 2026		
Last Review Date	April 1, 2026		
Last Approval Date	April 1, 2026		
Approval Authority	Accenture Legal		

APPLICABILITY		
Line of Business	Funding Type	
<input checked="" type="checkbox"/> Commercial	<input checked="" type="checkbox"/> Fully Insured	<input checked="" type="checkbox"/> Contract Issuance
<input type="checkbox"/> Medicaid	<input checked="" type="checkbox"/> Self-funded (ERISA)	<input type="checkbox"/> Patient State
<input type="checkbox"/> Medicare	<input checked="" type="checkbox"/> Self-funded (non-ERISA)	<input checked="" type="checkbox"/> Resident State

***To date, Radiant’s clients have not contracted with Radiant to conduct the peer review process or to render denial decisions of any kind (whether partial or complete, including upholding previously rendered partial or complete denials on appeal). Radiant renders only utilization review approval decisions. Radiant only renders utilization review approval decisions. If review of an appeal of an adverse benefit determination cannot be overturned based on medical necessity, the appeal is forwarded to the client’s Medical Director/Peer Reviewer for a determination.**

When performing utilization review or providing pharmacy benefit manager (“PBM”) services on behalf of a payer, Radiant will conduct utilization review and appeals services in accordance with the requirements of its payor clients.

POLICY	STATE SPECIFIC REQUIREMENTS
Purpose	This Pennsylvania Addendum (“Addendum”) supplements the PBM-02 Formulary Exceptions and Continuity of Care Policy (the “Policy”) and applies solely to prescription drug benefit plans subject to the laws of the Commonwealth of Pennsylvania (“Pennsylvania”). To the extent of any conflict between this Addendum and the Policy, this Addendum shall control for Pennsylvania-covered plans.
Background and Scope	This Addendum applies only to the administration of formulary exception requests, appeals, external review, and continuity of care for covered individuals in Pennsylvania. This Addendum does not apply to, and shall not be interpreted to impose obligations relating to: <ul style="list-style-type: none"> pharmacy network development or contracting;

This document contains information proprietary to Radiant. No part of this document may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, or otherwise, without permission from Radiant.

Copyright Radiant Services, LLC, 2026. All rights reserved

	<ul style="list-style-type: none"> • pharmacy reimbursement or claims adjudication; • manufacturer rebates or compensation arrangements; or • maximum allowable cost (MAC) pricing or drug pricing methodologies.
Definitions	<p>See Policy URA-01 Definitions. Additional definitions:</p> <p>Exception Request – A request for coverage of a prescription drug that is not included on the applicable formulary or is otherwise restricted under the benefit plan.</p> <p>Standard Exception Request – An exception request that does not involve exigent circumstances.</p> <p>Expedited Exception Request – An exception request requiring expedited review due to exigent circumstances.</p> <p>Exigent Circumstances – Circumstances in which an enrollee is suffering from a health condition that may seriously jeopardize the enrollee’s life, health, or ability to regain maximum function, or when the enrollee is undergoing a course of treatment using a non-formulary drug. [45 C.F.R. § 156.122(c)(2)(ii)]</p> <p>Transition Fill – A temporary supply of a non-formulary drug provided to maintain continuity of care while an enrollee and prescribing provider evaluate treatment alternatives or submit an exception request.</p> <p>Independent Review Organization (IRO) – An independent organization authorized to conduct external review of adverse benefit determinations.</p> <p>Specialty Drugs – Drugs designated by client health plans as specialty drugs due to clinical complexity, cost, or specific storage, dispensing, or administration requirements. 45 C.F.R. § 156.122</p>
Policy	<p>1. POLICY STATEMENT</p> <p>1. General Standard</p> <p>All exception request determinations, appeals, and related processes shall be administered in a manner that:</p> <ul style="list-style-type: none"> • promotes continuity of care; • avoids interruption of medically necessary therapy; and • is based on clinical appropriateness and applicable law. <p>2. Exception Eligibility Standards</p> <p>An exception request shall be considered where a prescribing provider determines that:</p> <ul style="list-style-type: none"> • the formulary alternative has been ineffective in treating the enrollee’s condition; • the formulary alternative has caused or is reasonably expected to cause adverse or harmful reactions; or • the requested drug is medically necessary, including for off-label use consistent with accepted standards of care. <p>(28 Pa. Code § 9.673(c))</p>

This document contains information proprietary to Radiant. No part of this document may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, or otherwise, without permission from Radiant.

Copyright Radiant Services, LLC, 2026. All rights reserved

3. Exception Request Determinations

(a) Timeframes

Exception requests shall be processed within the following timeframes:

- **Prospective exception requests:** within **two (2) business days** of receipt.
(28 Pa. Code § 9.673(c)(1))
- Where applicable under federal law:
 - **Standard:** 72 hours
 - **Expedited:** 24 hours

(45 C.F.R. § 156.122(c))

To the extent multiple timeframes apply, the **shorter timeframe shall govern.**

(b) Coverage Upon Approval

If an exception request is approved:

- Coverage shall be provided for the non-formulary drug consistent with the applicable benefit plan.
(28 Pa. Code § 9.673(c)(2))

(c) Denial Notice Requirements

Any denial of an exception request shall include:

1. The specific clinical basis and rationale for the denial; and
2. Instructions on how to file a complaint or grievance.

(d) Accessibility of Review Process

To the extent required by contract with Radiant's payer clients, Radiant shall maintain reasonable access for prescribing providers to communicate regarding exception requests and appeals, including a telephone or equivalent contact mechanism.

4. Appeals and Grievances

(a) Classification

If a drug, class of drugs or drugs used to treat a specific condition are specifically excluded from coverage in the member contract, appeals for coverage of specific exclusions shall be considered complaints. If no specific exclusion exists, the appeal of a denial of a provider's request for an exception

This document contains information proprietary to Radiant. No part of this document may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, or otherwise, without permission from Radiant.

Copyright Radiant Services, LLC, 2026. All rights reserved

to the formulary based on medical necessity and appropriateness, shall be considered to be a grievance.
(28 Pa. Code § 9.673(d))

(b) Fair Review

All appeals shall:

- be conducted by appropriately qualified clinical personnel;
 - consider all submitted clinical information; and
- be free from improper financial influence.

5. Continuity of Care and Transition Fills

(a) Transition Supply

A transition fill shall be provided for a duration sufficient to allow:

- submission of an exception request; and
- completion of review and appeal processes.

(b) No Interruption of Therapy

Coverage administration shall not result in interruption of ongoing therapy where:

- interruption may jeopardize the enrollee's health; and
- an exception request or appeal is pending.

(c) Formulary Change Notice

To the extent applicable to delegated functions:

- At least **30 days' prior notice** shall be provided to health care providers for formulary changes, unless due to FDA approval or withdrawal.

(28 Pa. Code § 9.673(e))

6. Formulary Information and Transparency

(a) Formulary Disclosure

Plans utilizing formularies shall disclose that drug availability may be subject to formulary restrictions.

(28 Pa. Code § 9.673(a))

(b) Formulary Inquiries

Upon inquiry by an enrollee or provider regarding formulary status:

- A written response shall be provided within 30 days; and

This document contains information proprietary to Radiant. No part of this document may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, or otherwise, without permission from Radiant.

Copyright Radiant Services, LLC, 2026. All rights reserved

	<ul style="list-style-type: none"> • If the drug is not on the formulary, the response shall include: <ul style="list-style-type: none"> ○ drugs in the same class that are on the formulary; or ○ instructions for the member on how to access the formulary. <p>(28 Pa. Code § 9.673(b))</p> <p>(c) Freedom of Disclosure</p> <p>Providers and pharmacists shall not be restricted from:</p> <ul style="list-style-type: none"> • disclosing drug cost information to the member; or • discussing with the member therapeutic alternatives. <p>(35 P.S. § 449.213)</p> <p>7. Specialty Drug Considerations</p> <ul style="list-style-type: none"> • Exception requests shall apply equally to drugs subject to additional coverage restrictions; and • Expedited review shall be available where interruption of therapy may jeopardize health. <p>8. Provider Non-Interference</p> <p>Nothing in this Addendum shall:</p> <ul style="list-style-type: none"> • interfere with the independent clinical judgment of a prescribing provider; or • restrict medically appropriate prescribing. <p>9. Compliance with Pennsylvania Law</p> <p>This Addendum is intended to ensure compliance with:</p> <ul style="list-style-type: none"> • 40 P.S. § 4501 et seq. (Pharmacy Benefit Reform Act); • 35 P.S. § 449.211 et seq. (Consumer Prescription Drug Pricing and Freedom Disclosure Act); and <p>28 Pa. Code § 9.673 (Managed Care – Availability and Access).</p> <p>10. No Expansion of Delegated Functions</p> <p>Nothing in this Addendum expands Radiant’s delegated responsibilities.</p> <p>11. Effective Date</p> <p>This Addendum is effective as of the Effective Date of the Policy.</p>
--	--

Resources & References
40 P.S. § 4501 et seq.
35 P.S. § 449.211 et seq.

This document contains information proprietary to Radiant. No part of this document may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, or otherwise, without permission from Radiant.

Copyright Radiant Services, LLC, 2026. All rights reserved

Policy History		
TYPE OF REVIEW	DATE	CHANGES
Initial Draft	03/31/2026	Initial draft created by outside counsel.
QA Review	04/01/2026	QA review completed – No changes made.
Additional Review	04/02/2023	Removed “Company Confidential – For Internal Use Only.” and added “Copyright Radiant Services, LLC, 2026. All rights reserved.” to the footer.

This document contains information proprietary to Radiant. No part of this document may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, or otherwise, without permission from Radiant.

Copyright Radiant Services, LLC, 2026. All rights reserved