FY13 Medicaid Pharmacy Program

Medicaid Pharmacy Utilization		
	FY12	**FY13 YTD**
Average Scripts/Enrollee	.77	.67
Average Cost/Script	$56	$50
Average Monthly Liability	$117M	$86M
Total Scripts	24M	20.5M (est)
*Brand/Generic Ratio	10%/90%	9%/91%
Brand $/Script	$294	$307
Generic $/Script	$30	$23

*Based on script volume, not spending

Third Party Liability (TPL)/Cost Avoidance

- Implemented Cost Avoidance July 1, 2012
- Average monthly TPL payment increased from $1.5M in FY12 to $2.6M in FY13
- Average monthly # patients w/ TPL reported on a claim increased from 10,000 in FY12 to 17,000
- Average monthly # claims w/ TPL reported increased from 19,000 to 30,000
- FY13 savings projected at $13M based on utilization through December 2012

Prior Approval for Specialty Drugs

- Implemented prior approval for several classes on July 1, 2012 (oncology agents, immunosuppressives, anti-retroviral, EPOs, Hepatitis C, Immune Globulin)
- FY13 savings projected at $19M based on utilization through December 2012

Hemophilia Patient Management

- Implemented Standards of Care Agreement (SOCA) requirement August 1, 2012. Revised SOCA in process.
- Required prior approval for blood factor effective December 1, 2012
- Repriced blood factor based on acquisition cost—projected FY13 savings $2.3M ($5M annual)
- Excluding one outlier patient, will see decrease of $4M in spending on blood factor through prior approval and utilization controls

Four Prescription Review Policy

- Implemented claims processing edit on September 6, 2012 at 10 prescriptions per month
- As of December 5, 2012, review after a patient has filled 7 prescriptions in a month.
- On February 1, 2013, moving to 5 prescriptions per month, and applying the limit to residents of long term care facilities

Operational Improvements

- Added temporary data entry staff. Requests entered within 2 - 3 hours of receipt, typically
- Pharmacists review requests within 30 minutes of data entry, typically
- MEDI system provides more user-friendly response to prescriber; providers can query by RIN—don't need PA request number
- On December 14, 2012, doubled incoming prior approval phone lines from 24 to 48.
- Prior approval pharmacists reaching out to high volume prior approval requestors to provide technical assistance with using MEDI prior auth application.
- MEDI based prior auth requests increased from 300 in September to 2,000 in January.

Program Statistics

- Number of adults w/ > 4 scripts has decreased **41%** since August (194,600 vs. 122,800)
- Number of adults w/ > 10 scripts has decreased **80%** since August (7,000 vs. 1,400)
- Number of beneficiaries "Hitting" claims processing edit since inception (YTD): **42,000**
- Total Four Script Override Prior Auth Requests YTD: **133,000** (84,000 approvals/49,000 denials) *(as point of reference – we do about 360,000 prior approval requests per year non script limit)*
- Have identified & implemented **11** additional duplicate therapy claims processing edits based on issues identified through script limit medication reviews (list on HFS website)

Provider Education

- Have created **2** educational documents based on common prescribing problems encountered in the review process—posted to website. Additional educational documents in process.
- Exploring possibility of providing CE for providers who review our educational pieces

Specific Cases

Example #1: 48 yr old woman

Problem: Duplicate Therapy - Multiple Narcotics

On 3 long acting narcotics and 1 short acting narcotic together for pain control.

- Pharmacist contacted doctor to discuss pain management.
- Since the long-acting agents are duplicate therapy, doctor agreed to d/c oxycontin prescription.
- Reduced annual expenditure of $4,255.
- Reduced the risk of side effects from this narcotic combination.

Example #2: 57 year old woman with Chronic Obstructive Lung Disease (COPD)

Problem: Duplicate Therapy and Poor Compliance

- Filling 6 different drugs for COPD
- Patient not filling prescriptions routinely, leading to worsening of her disease.
- Pharmacist contacted the doctor to discuss the case. Doctor thought patient was compliant and had added additional drugs. Doctor agreed to stop 2 drugs and address compliance with patient. Doctor was thankful for the information.
- Reduced annual expenditure of $2,700.
- Improved compliance will reduce exacerbations of her lung disease and improve patient's health

Example #3: 55 yr old woman with coronary artery disease

Problem: Serious Drug Interaction

- Patient filling heartburn medicine with a medicine to prevent blood clots and stroke.
- Using these together reduces the efficacy of blood clot/stroke medication which could lead to the formation of life-threatening clots
- Pharmacist contacted doctor who was thankful for intervention and changed heartburn medication.
- Minimal reduction in drug expenditure, but potential prevention of heart attack or stroke.

Example #4: 27 yr old woman with high blood pressure

Problem: Duplicate therapy

- Patient filling 2 drugs from same class for blood pressure.
- Pharmacist contacted the doctor to discuss case. Doctor had intended that patient d/c 1st drug, and thought patient was only taking 2nd drug. Pharmacy was filling both agents. Doctor agreed to stop 1 of the drugs. The pharmacy was contacted to stop the 1st medication.
- Reduced annual expenditure of $1,812.
- Potentially avoided serious side effects including very low blood pressure and kidney damage.