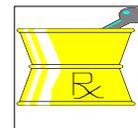




STATE MEDICAID P&T COMMITTEE MEETING
THURSDAY, December 20, 2012
7:00 a.m. to 8:30 a.m.
Cannon Health Building
Room 114



MINUTES

Committee Members Present:

Ellie Brownstein, M.D.
 Lisa Hunt, R.Ph.
 Julia Ozbolt, M.D.

Kort Delost, R.Ph.
 Jameson Rice, Pharm.D.
 Roger Martenau, M.D.

Dept. of Health/Div. of Health Care Financing Staff Present:

Robyn Seely, Pharm.D.
 Richard Sorenson, R.N.

Bobbi Hansen, CPhT.

University of Utah Drug Information Center Staff Present:

Gary Oderda, UofU

Bryan Larson, UofU

Other Individuals Present:

Eric Cannon, SelectHealth
 , Novo Novartis
 Damain Frantz, Mylan Specialty
 Charissa Anne, J&J
 Lynn Sartor, Health Choice Utah
 John Vu, Molina
 Paul Nielsen, MedImmune
 Bert Jones, GlaxoSmithKline

Jeff Dunn, SelectHealth
 Anne Marie Licos, MedImmune
 Scott Clegg, Lilly
 Linda Craig, AZ
 Arlen Jarrett, Health Choice Utah
 Scott Larson, BMS
 Lori Howarth, Bayer
 Chad Burnham, SelectHealth

Meeting conducted by: Ellie Brownstein.

- 1 Review and Approval of October and November Minutes: Ellie Brownstein made a motion to approve the October minutes. Kort Delost seconded the motion. The motion was approved unanimously.

 Ellie Brownstein made a motion to approve the November minutes. Kort Delost seconded the motion. The motion was approved unanimously.
- 2 Housekeeping: Lisa Hunt reported that the updated PDL to be effective 1/1/2013 was presented to and approved by Executive Division Director, Michael Hales. She also acknowledged and thanked the committee members for their contributions to Utah Preferred Drug List netting nearly 30 million dollars in savings.
- 3 Drug Utilization Review (DUR) Board update: Robyn Seely addressed the committee. She reported that in October the DUR Board reviewed prior authorization criteria for

Provigil and Nuvigil. Criteria will require step therapy through Provigil before authorization for Nuvigil will be approved. In November androgenic agents were reviewed. Prior authorization was placed on all androgenic agents, criteria includes that the patient must be male. No meeting was held in December. In January they plan to review prior authorization criteria for insulin pens.

4 **Accountable Care Organization (ACO) PDLs**

Health Choice Utah: Colette Heaps Executive Director, Arlen K. Jarrett Chief Medical Officer, Lynn Sartor Director of Pharmacy, Pamela Chase (representing Catamaran (PBM)).

Colette Heaps introduce her affiliated attendees and provided a brief background of Health Choice Utah. Health Choice Utah and Health Choice Arizona are subsidiaries of IASIS Healthcare. IASIS hospitals in Utah are Jordan Valley, Pioneer Valley, Davis and Salt Lake Regional. Health Choice Arizona has been in operation since 1990 and currently has 180,000 members. Of the current members 8,000 are Medicare and the remaining 172,000 are Medicaid. Health Choice Utah began operation in October 2011, they started accepting enrollees in May 2012.

P&T Committee

Lynn Sartor stated that their P&T Committee is comprised of pharmacists, physicians and business staff. They meet quarterly and the issues they address include communication with participating pharmacies and prescribers, formulary change recommendations and new drugs that have or will be coming into the market.

Formulary Development

Lynn Sartor specified that clinical safety and efficacy are their primary concern. As a managed Medicaid operation they do look at cost effectiveness. Patient compliance is becoming an important item to consider, are patients taking the medication as indicated. Health Choice feels they have established themselves (in Arizona) as a provider friendly plan, that is they are easily accessible. They take calls, answer phones, and return calls. They have established first name relationships with physicians. Their prior authorization Techs have built trusting relationships with the prescriber and pharmacy community they serve. Physician accessibility is important to Health Choice. They strive to maintain a website with the most up to date information available, including immunizations, drug changes, and updates from CMS.

Prior Authorization Process

Health Choice operates a standard prior authorization process. The prescribing provider is responsible for obtaining any necessary prior authorizations. Any applicable documentation must be submitted with any requests. Health Choice uses an automated system that tracks response times, by time stamping requests upon receipt, to ensure prior authorizations are being responded to in a timely manner. They have a process to respond to expedited requests before standard

requests. Expedited prior authorization requests are handled within three business days. Hospital and emergency room discharge requests are handled with a higher priority than a normal expedited request.

Lisa Hunt asked for clarification if medication prior authorization requests are handled within 24 hours. Lynn responded that they do have a 24 hour turn around for drug requests. The standard prior authorization requests are responded to with 14 days. Prior authorization staff is available on weekends and holidays.

Health Choice's prior authorization list are drugs marked on their formulary, or preferred drug list, with legend marks indicating prior authorization needed, step therapy required, quantity level limits. The types of prior authorizations required by Health Choice include brand drugs (when an A/B rated generic is available), step therapy (when there is no electronic evidence of required therapy on file), age restrictions, quantity level limit overrides, and requests for non-preferred drugs.

Pharmacy Benefits Management

Health Choice's Pharmacy Benefits Management (PBM) vendor is Catamaran. Catamaran currently serves 25 million lives and is the 4th largest PBM and 5th largest specialty pharmacy in the United States. Health Choice selected Catamaran based off size (not too big), flexibility, technology, and innovation.

Catamaran's roles include network development, data collection, clinical intelligence, and managing costs while improving member outcomes. Health Choice will retain all responsibilities pertaining to prior authorizations.

Pharmacy Network

Pamela Chase addressed the committee regarding the Health Choice pharmacy Network. There are over 500 pharmacies enrolled with Health Choice in the four ACO covered counties (Weber, Davis, Salt Lake and Utah counties). Most of the enrolled pharmacies are open during standard operating hours and some are available 24 hours. Clients are provided a list of covered pharmacies and the 24 hour pharmacies are identified on this list. Major chain-pharmacies enrolled include Costco, Walmart, Walgreens, Target, Rite Aid. They also have a national network of pharmacies, which are available to their enrolled clients; this network includes 67,000+ pharmacies.

Kort Delost asked if Health Choice is actively allowing new pharmacies to enroll. Pamela Chase responded that they do accept new pharmacies for enrollment. Lisa Hunt added that federal regulations require that the provider also be known to Utah Medicaid.

Communication Plan

Collette Heaps addressed the committee regarding the Health Choice communication plan. They have worked out a coordination process (in conjunction with the State) to identify clients they see fit to be enrolled in the restriction program. Once a client is identified for the restriction program that information is shared with the State to ensure they are restricted to one or two

pharmacies.

Health Choice has been actively testing files to ensure their system interacts with the Utah Medicaid system.

Health Choice began reaching out to both its providers and clients in November to notify them of the change in pharmacy administration. Member letters included a copy of the preferred drug list, a list of covered pharmacies, directions to visit the Health Choice website, information regarding the transition period timeframes, explanation of carve-out medications and contact information for both Health Choice and the Utah Department of Health.

Transition Plan

Health Choice is allowing a 62 transition period (60 days fell on a weekend so they selected 62 days to end the transition on a weekday). Additionally, allowing greater than 30 days will not inundate prescribers needing to obtain new authorizations with the ACO all in the same month. Lisa Hunt stated the due to supplemental rebates the state receives, Utah Medicaid made prefer a brand name product, while the ACO plan is more likely to prefer the generic. This is an instance where beyond the transition period the clients on a preferred by Utah Medicaid drug, but non-preferred by the ACO plan, would be required to either switch to the preferred product or obtain an authorization to continue on the non-preferred product.

Health Choice has determined that prior authorizations that were previously approved by Utah Medicaid will be honored through the originally approved termination date.

Kort Delost asked if once a prior authorization is termed, if Health Choice will consider re-authorizing for a non-preferred medication if the client has been stabilized on it for some time. Lynn Sartor answered that this scenario is one that is taken into consideration when looking at a prior authorization request.

Lisa Hunt asked for clarification as to how Health Choice likes watch new products “play out.” She added that the State is required to provide coverage (with or without prior authorization). Lynn Sartor explained that when a new drug comes into the market they are notified by the PBM and other methods (pharmacy newsletters, etc.). When the drug is released and physicians begin prescribing it they begin to receive request via prior authorization requests or a physician’s requests for a drug to be reviewed for formulary status. At the time the prior authorization requests start coming in Health Choice has worked up a docear and handles the authorization process based off the information they have. If a physician chooses to requests the drug for formulary coverage they must submit a form (available on the Health Choice website) along with how they feel the drug should be covered, if other drugs in the same class should be removed from coverage and what the costs would be. Lynn added that not all physicians are fully aware of the costs (to the pharmacy) of the drugs they prescribe, by asking for a cost figure it helps physicians put into perspective the cost associated with

changing formulary coverage. Lisa Hunt added that with rebates coming in on the back end (primary and supplemental rebates), cost can be different for the payer versus the purchaser. Lynn responded that Health Choice does not consider the cost after rebates; they strictly look at safety and efficacy.

Quality Improvement and Monitoring

Health Choice's P&T committee meets quarterly and each meeting they review any new drugs that have come out. Annually they review their entire formulary. During the review they consider prior authorization trends and history.

Additional Health Choice ACO information

Collette Heaps reported that all member materials have been revised to reflect that Health Choice will cover enrollee's pharmacy benefits. They also feel they have communicated which medications will still be carved-out.

Catamaran has put rejection messages into place informing the pharmacy when they bill a carve-out drug to the ACO that the drug is not "not covered," it just needs to be billed to Utah Medicaid for reimbursement. The pharmacist in the room expressed gratitude for the specificity of the denial.

Collette Heaps shared that they have created and implemented a communication program for physicians. A letter went out explaining the change in administration and which benefits will still be covered by the State. Additionally, three fax blasts went out to all of their enrolled providers with the same information notification. All the information shared with providers and clients has been made available on the Health Choice website.

Lynn Sartor reported that additional information the Health Choice P&T committee reviews includes new drugs, prior authorization trends (both previously stated), brand drugs that come out with generic formulations, and expanded indications.

Health Choice works to maintain coordination and communication with Catamaran to ensure the system processes claims as the P&T deems. They have a pharmacy help desk that is in regular communication with both pharmacies and Catamaran to get a drug to process particularly. They plan to have a continuing partnership with the Department of Health, to follow up if there are ever carve-out coverage changes. If the Utah Medicaid P&T committee sees changes necessary in the Health Choice formulary, they are open to suggestions.

Health Choice has medication therapy case managers. These case managers work as liaisons between the pharmacy and various areas of care. Health Choice foresees opportunities for quality improvement from time to time with the Utah Medicaid program. Kort Delost asked who handles the medication therapy management (MTM). Lynn Sartor answered that it is done in house with collaboration from Catamaran. They are currently evaluating and outside vendor that they have experience with on their Medicare side of their business. Kort Delost asked specifically about using *Outcomes* with independent pharmacies.

Lynn Sartor stated that *Outcomes* does not fit the role they are looking to fill.

Kort Delost asked for the Health Choice BIN and PCN. It was provided in the meeting packet material, and in several fax blasts. Additionally, the applicable BIN and PCN will be printed on each member card. Kort Delost asked if Health Choice offers a mail-order option. Pamela Chase responded that Catamaran has their own mail-order and specialty pharmacy. Lynn Sartor added that mail-order will not be an option for Utah Medicaid enrollees. Kort Delost asked if Health Choice covers compounded medications. Lynn Sartor answered yes, they do.

Lisa Hunt asked who serves on the Health Choice P&T committee, credentials specifically. She explained that Utah Medicaid is required to seat an independent pharmacist as well as have academia representation, etc. Lynn Sartor explained that they follow URAC credentialing. Health Choice is in the process of getting URAC certified. They have PCPs (primary care physicians) that are contracted with the company, outside, non-contracted PCPs, inside pharmacists, community pharmacist. He added that these committee members are technically contracted, because they are contracted with Catamaran rather than Health Choice directly. They sit a doctor that specializes in elderly and a pharmacist that teaches (part-time) at an Arizona pharmacy school. The intent of Health Choice is to gather community opinion and standards of practice.

Lisa Hunt stated that there was a question as to whether Home Health pharmacies received the fax-blast notification. Lynn Sartor answered that yes, as long as they are enrolled/in-network with Health Choice.

Kort Delost asked if Health Choice has aligned their OTC (over-the-counter) list with the current Utah Medicaid OTC list. Lynn Sartor stated that they have tailored their OTC coverage to be similar to that of Utah Medicaid. Ellie Brownstein asked about topical Nystatin coverage. It was found to be included for coverage on the Health Choice PDL list provided in the meeting packet.

Kort Delost posed a question for Catamaran, he asked about price fluctuations (especially for topical products) and how quickly does Catamaran get price changes implemented. Pamela Chase answered that price changes that they receive are loaded at least weekly; she added that in some instances MAC prices may be adjusted daily. Additionally, Catamaran has a form available for providers pricing adjustment requests. Lynn Sartor added that backorders are causing some delays for providers. Lisa Hunt stated that Utah Medicaid relies upon the ASHP (American Society of Health-System Pharmacists) drug shortage reporting to find if products are truly unavailable. She asked what source Health Choice uses. Lynn Sartor responded that Catamaran has close oversight on shortage issues. Pamela Chase added that they follow the FDA drug shortage reporting.

Ellie Brownstein asked if Health Choice covers inhaler spacers and masks. They are covered and no prior authorization is required. Ellie also asked about age restrictions on Augmentin ES-600, it is listed as limited to only clients under 6 years old. Lynn Sartor stated that the age restriction is in place because there is an

available generic product that provides adequate treatment for clients over age 6. Lynn Sartor pointed out that Health Choice does not require prior authorization on insulin pens. This being due primarily to school aged clients and the changes in what is allowed at schools (in Arizona). Health Choice found that the cost offset is not enough to justify the hassle of not covering or requiring a prior authorization on the pens.

Julia Ozbolt asked about the aquaphor listed on the OTC list being covered. Lynn Sartor responded that the benefits of covering aquaphor have direct health consequences. Julia Ozbolt also asked if Health Choice is contracted with the University of Utah community clinics. Health Choice responded that yes they are.

Public Comment: none.

Board Actions: Kort Delost moved that based upon the information received the committee approve Health Choice Utah for acceptance into the Utah Medicaid program. Julia Ozbolt seconded the motion. The motion was approved unanimously.

Select Health: Matt Mitchell, Pharm.D., MBA Manager Pharmacy Services, Eric Cannon, Pharm.D. Chief of Pharmacy, Steve Barlow, M.D. Chief Medical Officer, Chad Burnham, Pharm.D., MBA Clinical Coordinator.

Select Health is a part of Intermountain Healthcare, they are a non-profit organization. They are the payer arm of Intermountain Healthcare. They have their own PBM, Select Health Prescriptions, which services all of their clients. They cover approximately 500,000 lives primarily commercial, but also including State CHIP lives and Federal and State funded high-risk lives. Select Health has a very strong clinical integration with Intermountain, ranging from the hospital all the way to the outpatient delivery sites. The integration allows them to share clinical notes, labs, quality metrics, etc. Intermountain and Select Health share a strong clinical commitment and that is what has lead them to venture into managed Medicaid.

Intermountain Healthcare is well known for its clinical workgroups. Select Health is able to benefit from and is very highly integrated into many of the workgroups and Care Process Models. Each of the Select Health staff present currently sits on one or more of the Intermountain workgroups. Select Health is able to use information from the workgroups and Care Process Models to develop their PDL.

Select Health developed their PDL off several criteria. Clinical efficacy, looking at pivotal trials use to gain approval. Beyond the clinical trials they look at effectiveness, where the products have been used in the real world and how they fit in with local and national guidelines as well as the Intermountain guidelines of use. They evaluate safety and other special considerations, such as access needs for special dosage forms. Additionally, Select Health considers costs in the development of their PDL.

As Select Health began the process of developing a PDL for Utah Medicaid clients they first looked at utilization, what classes are getting used the most. They selected the 15 highest utilized classes to begin with.

Select Health's Pharmacy and Therapeutics (P&T) committee meets 10 times each year. The P&T committee is comprised of 20 individuals. The majority of the members are primary care physicians; both owned by Intermountain Healthcare physicians and affiliated physicians (some from the University of Utah). They also have three pharmacists, several faculty members and several to fit geriatrics requirements (for CMS guidance).

As the Select Health P&T committee reviewed the major classes (and the not so major) they put into place some prior authorizations and step therapies as needed. They do have the ability to put in multiple step therapies in places where fee-for-service does not require it. By using step therapies they have eliminated some of the place where fee-for-service require prior authorization.

The Select Health PDL is available on their website www.selecthealth.org (it was also included in the meeting packet). Physicians can access the Select Health formulary in a couple of ways; they can go to the website and utilize the electronic drug look-up tool. The look-up tool allows providers to put in a drug and see how that drug is covered as well as other drugs within the same category. They can go into individual patient profiles and perform the same function as well as see what other medications the client has been on and other coverage alternatives. If the providers ePrescribe they can check formulary status there too.

Select Health is required by Utah Medicaid to have a minimum 30 day transition period over the first three months of eligibility. In some areas they have chosen to extend the transition period. They evaluated where there was current utilization from the State that may hit up against where they are requiring step therapy. They have also evaluated the prior authorization file sent from the State to see where it is applicable to carry out the existing authorization. They have also identified select members that will be grand-fathered. They will have approximately 1800 members that will need to transition within the first 30 days. Additionally, approximately 2300 members will be grand-fathered with up to a year to transition due to the type of therapy they are receiving. Lisa Hunt pointed out that Select Health does not preferred Dexilant (which has been identified as one of the therapies that will need to transition within 30 days).

Lisa Hunt asked about oral acne therapy, it appears they do not prefer any products. Select Health responded that they do prefer several products, but that they do require prior authorization on some of the branded as well as some of the generic products. Lisa additionally, pointed to the fact that none of the oral acne products are listed as preferred and asked if they require some sort of prior authorization to show diagnosis or reason for therapy. Select Health responded that she was correct, they require prior authorization.

Lisa Hunt asked if Select Health has quantity limits on opioid narcotics, stating that Utah Medicaid currently allows 90 long acting and 180 short acting opioid narcotics in a 30 day period. Select Health does have quantity limits on all opioids; they are dependent upon whether the drug is short or long acting and may be unique to each individual product. Additionally, they have concurrent therapy edits for long acting products.

Lisa Hunt asked how Select Health handles new drugs that come out into the market. Dependent upon the price they may make the product non-preferred or require a prior authorization or step therapy, then the products are reviewed within 90 days.

Lisa Hunt asked what credentials make up the Select Health P&T committee. The Select Health P&T committee has approximately 20 members. Majority of the members are practicing physicians such as internal medicine, family practice, and a psychiatrist. Most of their P&T decisions or formulary decisions are reviewed within the clinical workgroup program. Specific classes of drugs are discussed amongst a clinical workgroup that specializes in the corresponding area of therapy. By utilizing the clinical workgroups structure they do not find a necessity to seat every possible specialty on the P&T committee. They have a geriatrician on the P&T committee, three community pharmacist, one practicing clinical pharmacist that is also on faculty at the University of Utah.

Lisa Hunt asked if Select Health has any 24 hour pharmacies. Select Health currently has nearly every pharmacy within the state of Utah enrolled. Nationally they have around 42-43,000 pharmacies.

Jameson Rice asked for clarification on the diabetic test supplies that are covered, it appears that Abbott products are the only brand that is preferred. They do only prefer Abbott brand test supplies, they will grant prior authorizations if necessary for other brands. Additionally, once they have a final update of Medicaid enrollees they will begin sending out Abbott meters.

Roger Martenau asked how long it would take to obtain a prior authorization for something like Ambien CR. Select Health responded that they would first try to move the client to the generic product. Generally the turnaround for prior authorizations is that they come in and are responded to within the same day. Select Health does anticipate that prior authorization requests will go up after the first of the year. Urgent requests are responded to generally on the same day, if there is spill-over it is responded to the next day but no requests sit for longer than three days. Lisa Hunt added that Utah Medicaid is federally mandated to respond within 24 hours. Select Health staffs prior authorization personnel 24/7 365 days. Lisa Hunt asked if they cover a three day emergency supply. Yes, Select Health does cover a 72 hour emergency medication supply.

Ellie Brownstein asked if they cover spacers and mask. Select Health does cover these items.

Lisa Hunt asked if infusion pharmacies are covered. Intermountain has their own home care pharmacy that also serves that their specialty pharmacy.

Jameson Rice asked about what OTC products are covered. Select Health currently covers OTCs similar to Utah Medicaid.

Public Comment: none.

Board Actions: Kort Delost moved that based upon the information received the committee approve Select Health for acceptance into the Utah Medicaid program.

Jameson Rice seconded the motion. The motion was approved unanimously.

Next Meeting Set for Thursday, January 17, 2013

Meeting Adjourned.

Minutes prepared by Bobbi Hansen.