Vermont Health Access
Pharmacy Benefit Management Program
October, November and December 2014

Quarterly Report to Health Reform Oversight Committee

Q2 SFY 2015

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Vermont Agency of Human Services

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Pharmacy Benefit Management Program

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The Agency of Human Services, Department of Vermont Health Access (DVHA), is pleased to provide the quarterly report to the Health Reform Oversight Committee as required by Act 127 approved in 2002 and found in 33 V.S.A. Chapter 19 § 2001. This report covers the activities of the Pharmacy Benefits Manager (PBM) for the second quarter of State Fiscal Year 2015.

The three requirements are set out in bold italics. DVHA's response follows each requirement.

§2001 (c) (1) "The director of the office of Vermont health access shall report quarterly to the health access oversight committee concerning the following aspects of the pharmacy best practices and cost control program:

(1) the efforts undertaken to educate health care providers about the preferred drug list and the program's utilization review procedures;"

During this quarter, the following informational mailings were sent to **pharmacies and/or prescribers**:

Prescribing providers:

DVHA's prescriber newsletter introduced the new Pharmacy Benefit Manager (PBM), Goold Health Systems (GHS), which began administering DVHA's pharmacy benefit programs effective January 1, 2015. The newsletter gave background about GHS and an introduction of GHS staff, products and features, along with a preliminary implementation schedule.

Topics also addressed in the **Newsletters** are as follows:

- No changes to Specialty Pharmacies (Wilcox Home Infusion and BriovaRX).
- PA forms to be updated on the DVHA website on January 1, 2015 along with the Preferred Drug List (PDL), which identifies all drugs and supplies requiring PA.
- Reminders that the Drug Utilization Review (DUR) Board voted to implement daily quantity limits and maximum duration of therapy restrictions for muscle relaxants due to concerns about misuse, diversion and safety.
- Select Benzodiazepines have daily quantity limits and Alprazolam/Alprazolam ER moved to PA required effective October 16, 2014.
    - Oxycodone and Hydromorphone immediate release products are limited to 16 dosage units/day with the initial fill limited to a 14-day supply effective November 5, 2015.

Pharmacy providers:

Topics addressed by **Newsletter and/or Fax Blast** are as follows:

- Oxycodone and Hydromorphone Immediate Release Products are now limited to 16 dosage units/day with the initial fill limited to a 14-day supply effective November 5, 2015.
- GHS Payer Sheet changes for claims submission, including GHS Bank ID Number (BIN), Plan Name and Processor Control Number (PCN), were sent to pharmacies for the new Pharmacy Point of Sale (POS) deployment on January 1, 2015.
- Pilot Testing conducted for the new Point of Sale (POS) system in preparation of go-live with the new GHS PBM system on January 1, 2015.
- Instructions for Other Coverage Codes (OCC) when processing Part B, Secondary and CMS Excluded Drug claims.

In an attempt to make all documents available to interested parties, the department maintains a web page with information related to the Pharmacy Benefits Management Program at:
http://dvha.vermont.gov/for-providers/pharmacy

"(2) the number of prior authorization requests made;"

Combined Clinical and Quantity Limit Prior Authorization Requests – Q1 SFY 2015				
	Total PA Requests	*Total Approved*	*Total Denied*	*Other (cancelled etc.)*
July	2,745	2,082	651	12
August	2,590	1,950	616	24
September	2,840	2,095	720	25
Total	**8,175**	**6,127**	**1,987**	**61**

Combined Clinical and Quantity Limit Prior Authorization Requests – Q2 SFY 2015				
	Total PA Requests	*Total Approved*	*Total Denied*	*Other (cancelled etc.)*
October	2,842	2,142	677	23
November	2,565	1,894	645	26
December	2,837	2,065	741	31
Total	**8,244**	**6,101**	**2,063**	**80**

Combined Clinical and Quantity Limit Prior Authorization Requests – Q2 SFY 2014				
	Total PA Requests	*Total Approved*	*Total Denied*	*Other (cancelled etc.)*
October	2,702	2,001	699	2
November	2,367	1,730	634	3
December	2,328	1,767	553	8
Total	**7,397**	**5,498**	**1,886**	**13**

Data in the tables above show that DVHA received a total of 8,244 requests for **clinical and quantity limit prior authorizations** during the second quarter of State Fiscal Year 2015, a increase of 0.84% from the total number of quantity limit prior authorization requests received during the previous quarter (8,175), and a 11.7% increase from one year ago, Q2 SFY 2014, when total **PA requests were 7,397.**

Quantity limits are established to promote dose consolidation (that is prescribing of lesser quantities of larger strength dosage forms rather than multiples of lower strength dosage forms which is especially important when all dosage strengths for a particular drug are level priced) and also to promote rational maximum daily doses where increased doses have either not been shown to offer additional clinical benefit or may be harmful.

"(3) the number of utilization review events (other than prior authorization requests)."

DUR Description DVHA *without* Part D	**October 2014**	**November 2014**	**December 2014**	**Grand Total**	**% of Total**
Drug-Age Precaution	0	1	15	16	0.03%
Drug-DiseaseInfrdPrecautn	7,028	6,576	7,717	21,321	5.35%
Drug-Drug Interaction	29,411	26,490	30,444	86,345	21.69%
Ingredient Duplication	12,530	11,464	13,258	37,252	9.35%
Refill Too Soon	6,855	6,384	6,988	20,227	5.08%
Therapeutic Duplication	79,278	72,774	80,791	232,843	58.50%
Total	**135,102**	**123,689**	**139,213**	**398,004**	100.00%
DUR Description DVHA *with* Part D	**October 2014**	**November 2014**	**December 2014**	**Grand Total**	**% of Total**
Drug-Age Precaution	0	0	0	0	0.00%
Drug-DiseaseInfrdPrecautn	188	158	199	545	1.04%
Drug-Drug Interaction	8,614	7,744	8,670	25,028	47.90%
Ingredient Duplication	1,339	1,280	1,449	4,068	7.79%
Refill Too Soon	339	335	342	1,016	1.94%
Therapeutic Duplication	7,391	7,032	7,170	21,593	41.33%
Total	17,871	16,549	17,830	52,250	100.00%
Grand Total	**152,973**	**140,238**	**157,043**	**450,254**	

During the second quarter of SFY 2015, a total of 450,254 utilization events occurred. This was a 2.49% increase from the previous quarter, in which a total of 439,292 utilization review events occurred.

COMPARISON:

Grand Totals for SFY Q1 2015 and SFY Q2 2015

	Q1 SFY '15	Q2 SFY '15	Percent Change:
DVHA *without* Part D			
Drug-Age Precaution	14	16	14.3%
Drug-Disease Precaution	19, 516	21,321	9.2%
Drug-Drug Interaction	81,273	86,345	6.2%
Ingredient Duplication	37,403	37,252	-0.4%
Refill Too Soon	20,687	20,227	-2.2%
Therapeutic Duplication	225,819	232,843	3.1%
Total	**384,712**	**398,004**	**3.5%**
DVHA *with* Part D			
Drug-Age Precaution	0	0	0.0%
Drug-Disease Precaution	701	545	-22.3%
Drug-Drug Interaction	26,549	25,028	-5.7%
Ingredient Duplication	3,823	4,068	6.4%
Refill Too Soon	1,020	1,016	-0.4%
Therapeutic Duplication	22,487	21,593	-4.0%
Total	**54,580**	**52,250**	-4.3%
Grand Total	**439,282**	**450,254**	**2.5%**