Vermont Health Access
Pharmacy Benefit Management Program

April, May and June 2014

Quarterly Report to Health Care Oversight Committee

Q4 SFY 2014

Harry Chen, Secretary
Vermont Agency of Human Services

Mark Larson, Commissioner
Department of Vermont Health Access

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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 Care 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 fourth quarter of State Fiscal Year 2014.

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

> ***"§2001 (c) "The Commissioner of Vermont Health Access shall report quarterly to the Health Care 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 pharmacy providers:

> April 2014: Fax blast to pharmacy providers clarifying that prescription services cannot be denied for a Medicaid member who does not pay his or her copays, per Section 1916(c) of the Social Security Act.

During this quarter, the following informational mailings were sent to prescribing providers:

> April 2014: Notification was sent to prescribers notifying them that due to significant changes in the marketplace and increased availability of generics, the proton pump inhibitor Dexilant® is being moved to non-preferred status.
>
> June 2014: Notice was sent to prescribers that due to safety concerns, methadone used in the management of pain will be subject to the following limitations: The starting dose of methadone will be limited to 30MG/day even in patients on high doses of other opioids.

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.

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

Combined Clinical and Quantity Limit Prior Authorization Requests - Q3 SFY 2014						
	Total PA Requests	*Clinical PA*	*QL PA*	*Total Approved*	*Total Denied*	*Other (cancelled etc.)*
January	3,162	2,847	315	2,431	695	36
February	2,752	2,476	276	2,141	592	19
March	2,870	2,571	299	2,175	657	38
Total	**8,784**	**7,894**	**890**	**6,747**	**1,944**	**93**

Combined Clinical and Quantity Limit Prior Authorization Requests - Q4 SFY 2014						
	Total PA Requests	*Clinical PA*	*QL PA*	*Total Approved*	*Total Denied*	*Other (cancelled etc.)*
April	3,061	2,758	303	2,302	724	35
May	2,665	2,415	250	1,947	669	49
June	2,672	2,394	278	1,945	690	37
Total	**8,398**	**7,567**	**831**	**6,194**	**2,083**	**121**

Combined Clinical and Quantity Limit Prior Authorization Requests - Q4 SFY 2013						
	Total PA Requests	*Clinical PA*	*QL PA*	*Total Approved*	*Total Denied*	*Other (cancelled etc.)*
April	2,587	2,334	253	1,892	588	107
May	2,610	2,339	271	1,874	653	83
June	2,282	2,034	248	1,676	514	92
Total	**7,479**	**6,707**	**772**	**5,442**	**1,755**	**282**

Data in the tables above show that DVHA received a total of 8,398 requests for **clinical and quantity limit prior authorizations** during the fourth quarter of State Fiscal Year 2014, a decrease of 4% from the total number of quantity limit prior authorization requests received during the previous quarter (8,784), and a 12% increase from one year ago, Q4 SFY 2013, when total PA requests were 7,479. A portion of this increase may be attributed to increases in enrollment: From April 2013 to April 2014, enrollment in DVHA pharmacy programs increased approximately 5.7%.

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)."

Department of Vermont Health Access
DUR Edit Summary Report

For Service Period: 01-01-2014 to 12-31-2014

Carrier ID	DUR Description	Jan	Feb	Mar	SFY Q3 Total	Apr	May	Jun	Q4 Total	Grand Total	Quarter to Quarter Difference
DVHA without	Drug-Age Precaution	2	2	6	10	3	2	1	6	16	-40.00%
Part D	Drug-Disease Precaution	6,468	5,958	6,597	19,023	6,543	6,639	6,562	19,744	38,767	3.79%
	Drug-Drug Interaction	29,289	26,192	26,806	82,287	28,708	26,624	25,153	80,485	162,772	-2.19%
	Ingredient Duplication	10,084	9,223	12,510	31,817	12,613	12,229	11,843	36,685	68,502	15.30%
	Refill Too Soon	3,687	3,699	6,977	14,363	6,834	6,819	6,879	20,532	34,895	42.95%
	Therapeutic Duplication	76,516	69,814	76,372	222,702	76,883	75,283	73,081	225,247	447,949	1.14%
DVHA Total		**126,046**	**114,888**	**129,268**	**370,202**	**131,584**	**127,596**	**123,519**	**382,699**	**752,901**	**3.38%**
DVHA with Part D	Drug-Age Precaution	0	0	0	0	0	0	0	0	0	0.00%
	Drug-Disease Precaution	237	183	201	621	229	187	220	636	1,257	2.42%
	Drug-Drug Interaction	9,614	9,186	9,722	28,522	9,393	9,041	9,177	27,611	56,133	-3.19%
	Ingredient Duplication	1,239	1,039	1,250	3,528	1,263	1,357	1,281	3,901	7,429	10.57%
	Refill Too Soon	310	296	310	916	300	334	392	1,026	1,942	12.01%
	Therapeutic Duplication	8,863	7,445	8,402	24,710	8,068	7,687	7,711	23,466	48,176	-5.03%
DVHA D Total		**20,263**	**18,149**	**19,885**	**58,297**	**19,253**	**18,606**	**18,781**	**56,640**	**114,937**	**-2.84%**
Grand Total		**146,309**	**133,037**	**149,153**	**428,499**	**150,837**	**146,202**	**142,300**	**439,339**	**867,838**	**2.53%**

During the fourth quarter of SFY 2014, a total of 439,339 utilization events occurred. This was a 2.53% increase from the previous quarter, in which a total of 428,499 utilization review events occurred.

The "Drug-Age Precaution" utilization event has too small a data set to determine a causal relationship between the 40% decrease and any affecting variables.

Increases for "Refill Too Soon" events are related to the Q1 SFY 2014 implementation of standardized rules around early refills of prescriptions. This is an important safety concern for DVHA as patients refilling their prescriptions early on a repeated basis will ultimately obtain higher quantities of their medications than prescribed by their providers.