Vermont Health Access
Pharmacy Benefit Management Program
July, August and September 2014

Quarterly Report to Health Access Oversight Committee

Q1 SFY 2015

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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 Access 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 first 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 **pharmacy providers**:

September 2014: DVHA's pharmacy newsletter introduced the new Pharmacy Benefit Manager (PBM) Goold Health Systems (GHS), which begins 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 newsletter were the following:

- Pharmacist-Administered Influenza Vaccinations for the 2014-2015 flu season: This communication was geared around covered services, reimbursement and billing.
- The Drug Enforcement Administration (DEA) published its final rule regarding its rescheduling of Hydrocodone combination products from Schedule III to Schedule II, effective Monday October 6, 2014. A link to the Final Rule in the federal register was provided.
- Medicaid copayment reminder that prescription services cannot be denied for Medicaid members who does not pay their co-pays, per section 1916 (c) of the Social Security Act.

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

September 2014: Prescribers were notified of an important pharmacy program change: 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

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 - Q4 SFY 2014				
	Total PA Requests	*Total Approved*	*Total Denied*	*Other (cancelled etc.)*
April	3,061	2,302	724	35
May	2,665	1,947	669	49
June	2,672	1,945	690	37
Total	**8,398**	**6,194**	**2,083**	**121**

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 - Q1 SFY 2014				
	Total PA Requests	*Total Approved*	*Total Denied*	*Other (cancelled etc.)*
July	2,516	1,883	630	3
August	2,473	1,844	625	4
September	2,430	1,840	590	0
Total	**7,419**	**5,567**	**1,845**	**7**

Data in the tables above show that DVHA received a total of 8,175 requests for **clinical and quantity limit prior authorizations** during the first quarter of State Fiscal Year 2015, a decrease of -2.6% from the total number of quantity limit prior authorization requests received during the previous quarter (8,398), and a 10.190% increase from one year ago, Q4 SFY 2014, when total **PA requests were 7,419.** A portion of this increase is likely attributed to increases in enrollment: From September 2013 to September 2014, enrollment in DVHA pharmacy programs increased approximately 10%.

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	**July 2014**	**August 2014**	**September 2014**	**Grand Total**	**% of Total**
Drug-Age Precaution	7	7	0	14	0.00%
Drug-DiseaseInfrdPrecautn	6,358	6,470	6,688	19,516	5.07%
Drug-Drug Interaction	27,474	26,750	27,049	81,273	21.13%
Ingredient Duplication	12,474	12,397	12,532	37,403	9.72%
Refill Too Soon	7,197	6,922	6,568	20,687	5.38%
Therapeutic Duplication	74,962	74,450	76,407	225,819	58.70%
Total	128,472	126,996	129,244	384,712	100.00%
DUR Description DVHA *with* Part D	**July 2014**	**August 2014**	**September 2014**	**Grand Total**	**% of Total**
Drug-Age Precaution	0	0	0	0	0.00%
Drug-DiseaseInfrdPrecautn	203	246	252	701	1.28%
Drug-Drug Interaction	8,797	8,960	8,792	26,549	48.64%
Ingredient Duplication	1,280	1,255	1,288	3,823	7.00%
Refill Too Soon	336	314	370	1,020	1.87%
Therapeutic Duplication	7,574	7,384	7,529	22,487	41.20%
Total	18,190	18,159	18,231	54,580	100.00%
Grand Total	**146,662**	**145,155**	**147,475**	**439,292**	

During the first quarter of SFY 2015, a total of 439,292 utilization events occurred. This was a 0.01% decrease from the previous quarter, in which a total of 439,339 utilization review events occurred.

Comparison
Grand Totals for SFY Q4 2014 and SFY Q1 2015

DVHA *without* Part D			
	Q4 SFY '14	**Q1 SFY '15**	**Percent Change:**
Drug-Age Precaution	6	14	133.3%
Drug-DiseaseInfrdPrecautn	19,744	19,516	-1.15%
Drug-Drug Interaction	80,485	81,273	0.98%
Ingredient Duplication	36,685	37,403	1.96%
Refill Too Soon	20,532	20,687	0.75%
Therapeutic Duplication	225,247	225,819	0.25%
Total	**382,699**	**384,712**	**0.53%**
DVHA *with* Part D			
Drug-Age Precaution	0	0	0.0%
Drug-DiseaseInfrdPrecautn	636	701	10.2%
Drug-Drug Interaction	27,611	26,549	-3.8%
Ingredient Duplication	3,901	3,823	-2.0%
Refill Too Soon	1,026	1,020	-0.6%
Therapeutic Duplication	23,466	22,487	-4.2%
Total	**56,640**	**54,580**	**-3.6%**
Grand Total	**439,339**	**439,292**	**-0.011%**