DVHA Follow up - H.309 - Substitution of epinephrine autoinjector devices

Representative Lippert,

As follow up to Ashley Berliner's testimony on H.309 on Wednesday, we wanted to provide additional information on the impact to Medicaid.

The market with epinephrine autoinjector devices has many moving parts at this time (e.g., new products, new rebate amounts, and shifts in preferred and non-preferred products are likely to occur in near future). Providing a fiscal impact to Medicaid as a result of the required generic substitution in H.309 is difficult at this time. DVHA does not have access to one key piece of information, which is the rebate amount for new generic devices. Without knowing this information it is difficult to know which product will be most cost effective for Medicaid (assuming clinical equivalence). This information may be available in a month.

For any drug or device, DVHA would want the ability to manage to the lowest net cost to Medicaid (taking into account rebates) and in deference to the Medicaid Preferred Drug List (PDL). This is a similar discussion DVHA has been engaging in with Senate Health & Welfare on S.92. We would be happy to work with Jen and propose language to this effect.
Regarding the frequency of updates to the Medicaid PDL, the PDL is updated after every Drug Utilization Review Board meeting (approximately every six weeks). With each update DVHA sends changes out in the Pharmacy Newsletter and the revised PDL is posted online.
Medicaid copayments for drugs are based on tier in the PDL. Since copayments are $1.00, $2.00 or $3.00, the difference in cost is minimal for Medicaid members. Currently, the EpiPen device on Medicaid's PDL prices out to pharmacies at approximately $700.00 for a two-pack, which results in a $3.00 copayment to Medicaid members. Patients generally get one or two prescriptions per year.

Thank you,
Lindsay

Lindsay Parker, MPH
Health Access Policy & Planning Chief
Medicaid Policy, Agency of Human Services
280 State Drive, Building E-313
Waterbury, VT 05671
[p] 802-578-9427 | [f] 802-871-3001
[e] lindsay.parker@vermont.gov