

**MEMORANDUM**

**To:** Senator Claire Ayer, Chair, Senate Committee on Health & Welfare  
**From:** Nancy Hogue, Pharmacy Director, Department of Vermont Health Access  
**Cc:** Cory Gustafson, Commissioner, Department of Vermont Health Access  
**Date:** April 20, 2017  
**Re:** Medicaid Pharmacy - Prior Authorizations

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Senator Ayer:

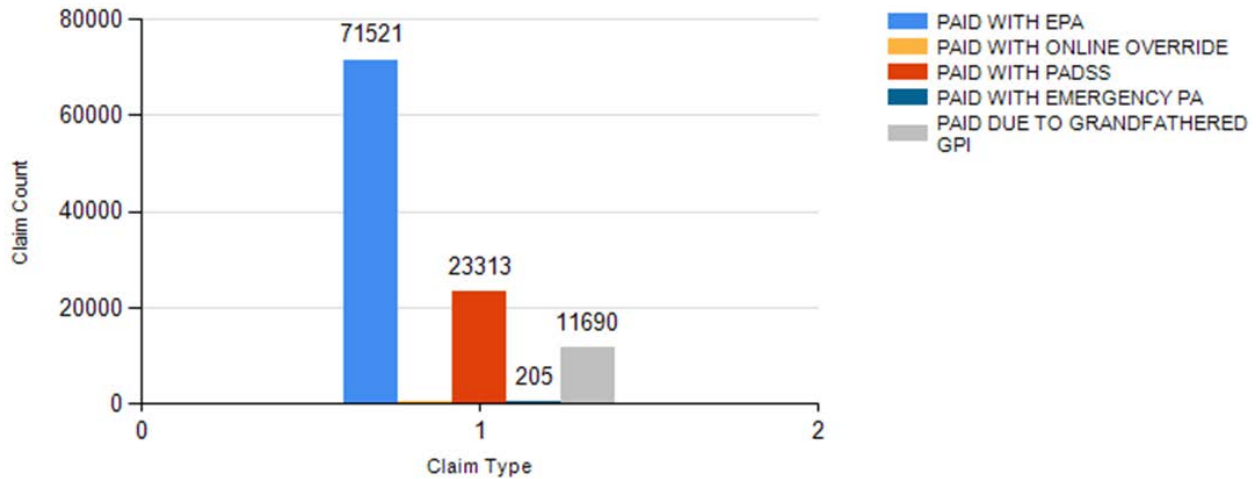
Thank you for extending your committee's time for the discussion of prior authorization on Friday, April 14, 2017. As we mentioned, DVHA understands and appreciates the effort required of providers to manage the prior authorization (PA) requirements for Medicaid. DVHA is committed to reducing this effort as much as possible. The summer of 2016 Medicaid launched an automated PA process for certain drugs, including Suboxone Film. Suboxone Film is one of Medicaid's highest volume drugs with a PA requirement. This automated PA process has reduced DVHA's manually processed PAs by nearly 40% since 2016 during this same quarter.

Below is data from the first quarter of 2017 that shows a breakdown of the type of PAs for drugs with claim counts and total Medicaid paid. All plans except VMAP and Healthy Vermonters are included in this report.

In addition, DVHA is launching a provider portal in summer 2017 that will:

- Facilitate the electronic submission of prior authorization requests;
  - Provide status updates for submitted PA requests; and
  - Provide drug, member, and pharmacy inquiries.
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**Auto-PA Complex Clinical PA Summary**  
**Report Dates: 1/1/2017 - 3/31/2017**



**Medicaid Prior Authorizations, by Paid Claims**

	PAID WITHOUT PA	PAID WITH AUTO-PA	PAID WITH ONLINE OVERRIDE	PAID WITH CLINICAL PA (MANUAL PA)	PAID WITH EMERGENCY PA	PAID DUE TO GRANDFATHERED GPI	TOTAL CLAIM COUNT
<b>Claim Counts:</b>	426,380	71,521	538	23,313	205	11,690	533,647
<b>% of Total Claims:</b>	80%	13%	0.1%	4%	0.04%	2%	100.00%

**Column Definitions:**

**Paid Without PA** - This is a count of claims that paid without prior authorization

**Paid with Auto PA** - PA Paid without manual intervention

**Paid with Online Override** - Indicates that this PA was created manually for a Pharmacy on the POS for issues that don't require clinical approval

**Paid with Clinical PA** - Indicates that this Manual PA was approved by clinical staff and then sent to the POS

**Paid with Emergency PA** - This is a short-duration PA used in emergencies like the 72 hours PA.

**Paid Due to Grandfathered GPI** - This automated PA occurs when a member is "grandfathered" on a drug that requires PA

**Total Claim Count** - Total count of claims