Sunset Advisory Commission
Board and Commission Review of Drug Utilization Review Board

The Commission reviews every State board and commission and takes testimony regarding whether each board or commission should continue to operate or be eliminated and whether the powers and duties of any board or commission should be revised. Each board and commission has the burden of justifying its continued operation. The Commission also reviews whether members of a board or commission should be entitled to a per diem and, if so, the amount of that per diem.

In testifying before the Commission, you should be able to provide the following information:

1. In general, how often does the board and commission meet?

The Drug Utilization Review Board meets approximately 7-8 times per year.

   a. Provide specific information on how often the board or commission has met in the past two fiscal years.

      In state fiscal year 2018, the Board met 8 times. In state fiscal year 2019, the Board met 7 times.

   b. Provide information on where agendas and minutes of meetings can be found.

      Agendas and meeting minutes are posted on the DVHA website, under the section Drug Utilization Review Board:

2. Provide the names of members of the board or commission, their term length and expiration, their appointing authority, and the amount of any per diem they receive.

The Governor of the State of Vermont is the appointing authority for all members.

Clayton English, Pharm.D., Term Length: June 15, 2015-August 31, 2020

Louise Rosales, NP, Term Length: June 15, 2015-August 31, 2020

Patricia King, MD, Term Length: October 15, 2015-August 31, 2020

Zail Berry, MD, Term Length: October 15, 2015-August 31, 2020

Willis Breen, RPH, Term Length: October 25, 2016-October 25, 2020 with the option to extend through August 31, 2022

Renee Mosier, Pharm.D., Term Length: April 4, 2017-April 4 2021 with the option to extend through August 31, 2022

Jocelyn VanOpdorp, Pharm.D. Term Length: April 4, 2017-October 22 2019-Member resigning from board due to moving out of state.

Joseph Nasca, MD, Term Length: September 12, 2017-August 31, 2020 with the option to extend through August 31, 2023

Claudia Berger, MD, Term Length: April 13, 2018-August 31, 2020 with the option to extend through August 31, 2023

Margot Kagan, Pharm.D., Term Length: January 2, 2019-August 31, 2021 with the option to extend through August 31, 2024

Mark Pasanen, MD, Term Length: April 1, 2019-August 31, 2021 with the option to extend through August 31, 2024

Amount members received: $50.00 per meeting plus mileage - .545 x miles until January 2019, currently .58 x mileage per meeting.

Recently, Governor Scott signed a new Executive Order which allows for staggered three-year terms which will allow DVHA to better manage Board terms and appointments. https://governor.vermont.gov/content/drug-utilization-review-board-eo-07-19

3. Provide an overview of the board or commission's purpose.

The Drug Utilization Review Board is a federal requirement by CMS for Medicaid drug programs. The Drug Utilization Review Board was authorized by Congress under Section 4401, 1927(g) of the Omnibus Reconciliation Act of 1990. This act mandated that the Vermont Agency of Human Services (AHS) develop a drug use review program for covered outpatient drugs, effective January 1, 1993.

The Act required the establishment of a Drug Utilization Review Board which would:

- Review and approve drug use criteria and standards for both retrospective and prospective drug use reviews (DURs)
- Apply these criteria and standards in the application of DUR activities
- Review and report the results of DURs, and
- Recommend and evaluate educational intervention programs.

Additionally, the Vermont Legislature enacted the Pharmacy Best Practices and Cost Control Program from the Fiscal Year 2002 Appropriations Act, H. 485, which mandated that:

"The commissioner of prevention, assistance, transition, and health access shall **establish a pharmacy best practices and cost control program designed to reduce the cost of providing prescription drugs, while maintaining high quality in prescription drug therapies**. The program shall include a preferred list of covered prescription drugs that identifies preferred

choices within therapeutic classes for particular diseases and conditions, including generic alternatives, utilization review procedures, including a prior authorization review process, and any other cost containment activity adopted by rule by the commissioner, designed to reduce the cost of providing prescription drugs while maintaining high quality in prescription drug therapies."

Implementation of this pharmaceutical initiative required that either the Board or a Pharmacy and Therapeutics Committee be established that would provide guidance on the development of a Preferred Drug List for Medicaid patients. The Department of Vermont Health Access (DVHA) elected to utilize the already established Board to obtain current clinical advice on the use of pharmaceuticals.

4. Is that purpose still needed? Yes absolutely. What would happen if the board or commission no longer fulfilled that purpose?

   We would be out of compliance with federal law, clinical management of drugs would be uncontrolled and net drug spending would rise.

5. How well is the board or commission performing in executing that purpose? What evidence can you provide to substantiate that performance?

   The Board has performed its mission extremely well. DVHA has provided broad access to medically necessary pharmaceuticals at the lowest cost possible to the State as a result of the Board's activities.

6. If the purpose is still needed, can State government be more effective and efficient if the purpose was executed in a different manner?

   No, the Board is very efficient and well managed.

7. If the purpose is still needed, do any of your board or commission's functions overlap or duplicate those of another State board or commission or federal or State agency? If so, is your board or commission still the best entity to fulfill the purpose?

   No other Board oversees management of the Medicaid prescription drug benefit program.

8. Does the board or commission's enabling law continue to correctly reflect the purpose and activities of the board or commission?

   Yes

9. Provide a list of the board and commission's last fiscal year expenditures including staffing costs. How are these funded?

   Expenditures for SFY 2019: Members receive a stipend of $50.00 per meeting per board member plus mileage, $0.545 x miles until January 1, 2019, currently $0.58 x miles. Dinner costs – between $200 to $250 per meeting ($250 x 7 meetings = $1750). Beginning in March 2019, $200 facility use charge for Albany College of Pharmacy meeting location - $600 for the SFY 2019. Total Expenditures for SFY 2019 for the stipend, mileage, meals and meeting space was $7,296. This is funded using DVHA's administrative funds.

10. Is the board or commission required by law to prepare any reports or studies for the Legislature, the Governor, or any State agency or officer? If so, have those reports or studies been produced? Does the board or commission have ongoing reporting obligations?

    Each year, CMS requires states to file a Drug Utilization Review Annual Report and outline Board activities as well as many other drug management activities. We have submitted this report every year. A summary of this data are published on the CMS website: https://www.medicaid.gov/medicaid/prescription-drugs/drug-utilization-review/index.html

11. How would you measure the performance of the board or commission?

    The Board is one of the most productive and efficient Boards within State Government. Reviewing all therapeutic classes and new drugs entering the market, determining coverage criteria, and monitoring drug utilization for clinical appropriateness is a large, complex task and requires a high level of organization and activity by the Board. In addition, we have excelled at managing our net drug spend, largely a result of preferred drug list management by the Board. In SFY 2019, DVHA invoiced $127 million dollars in federal and supplemental rebates, which represents 63.8% of our total gross drug spend of $198.8 million.