Virginia Medicaid DUR Quarterly Newsletter

VOLUME 1, NUMBER 5

DECEMBER 2016

Introduction

In this issue of the quarterly Drug Utilization Review (DUR) newsletter we look at the Addiction and Recovery Treatment Services (ARTS) program and the new pharmacy reimbursement methodology.

Addiction and Recovery Treatment Services (ARTS)

In 2013, more Virginians died from drug overdose than car accidents or homicides and 80% of drug overdose deaths were attributed to prescription opioid drugs and heroin. During the first half of 2016 there was a 35% increase in fatal drug overdoses in Virginia over the same time period in 2015. On November 21, 2016, Dr. Marissa J. Levine, the State Health Commissioner, has declared the opioid addiction crisis to be a public health emergency in Virginia. The Department of Medical Assistance Services (DMAS) is working on a collaborative response with many other groups and providers on this problem through the Addiction and Recovery Treatment Services (ARTS). Beginning in January 2017 DMAS will work on network development and extensive provider training (Phase 1). Statewide and regional training across the Commonwealth began in October and will continue thru April 2017. Phase 2 will be a statewide implementation beginning in April 1, 2017 including inpatient detox, residential treatment, partial hospitalization, opioid treatment, case management and crisis intervention for all fee for service (FFS) and managed care plans (MCOs). Peer Support Services (Phase 3) to be available in July 2017.

Based on the CDC Chronic Pain Treatment Guidelines of March 2016, DMAS initiated dosing limitations to 120 Morphine Equivalent Dosing (MED) on July 1, 2016. A 57% reduction of in the number of dosages dispensed was realized with this initiative in the third quarter of this year. Beginning in January 2017, DMAS will be lowering the threshold for MED to 90 MED/day and limiting the days supply for short acting opioids to a 14 day supply. Hospice patients have

CONTACT INFORMATION

Virginia Department of Medical Assistance Services (DMAS) Pharmacy Department

http://www.dmas.virginia.gov/

https://www.virginiamedicaid.dmas.virginia.gov/wps/portal

Xerox Pharmacy Technical Support Call Center
1-800-774-8481

Magellan Pharmacy Clinical Call Center
Service Authorizations: 1-800-932-6648
Service Authorization Fax : 1-800-932-6651
Website
https://www.virginiamedicaidpharmacyservices.com/default.asp

DUR BOARD MEETINGS

February 9, 2017
May 11, 2017
August 10, 2017
November 9, 2017

P&T COMMITTEE MEETINGS
April 20 , 2017

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been excluded from these limitations. Service authorizations will be required for those members who require more than a 14 days supply of opioids or higher than 90 MED per day. For more information please visit : Department of Medical Assistance Services Addiction and Recovery Treatment Services website.

Below are upcoming changes to the DMAS program set to be fully operational in April 2017 which will affect dispensing pharmacists in Virginia.

Medications Available for Medication Assisted Therapy for all Substance Use Disorders

Medication	Prior Authorization Required
Buprenorphine/Naloxone and Buprenorphine (for pregnant women only)	**Induction (7 days) – no** Maintenance - yes
Methadone	No (for opioid use disorder)
Naltrexone Long-Acting Injection	No
Naltrexone (oral)	No
Naloxone	No
Disulfiram	No
Acamprosate	No

Note: Prior Authorizations are not required for buprenorphine/naloxone or buprenorphine provided by Office-Based Opioid Treatments or Opioid Treatment Programs credentialed by health plans.

Uniform Buprenorphine Requirements Adopted by FFS and Managed Care Plans

- Diagnosis of Opioid Use Disorder, and
- > 16 years of age; and
- Prescriber's personal DEA and XDEA numbers are required; and
- Individual is participating is psychosocial counseling
- Maximum of 16 mg per day
- Initial authorization for 3 months; subsequent authorizations for 6 months
- **No set time limit or duration of treatment**
- Buprenorphine only products for pregnant women
- Patient is locked-in to prescribing physician and dispensing pharmacy
- No concurrent use with benzodiazepines, tramadol, carisoprodol, other opiates or stimulants
- Urine drug testing at least 4 times per 6 months

New Pharmacy Reimbursement Methodology

In January 2016 CMS announced a final rule implementing provisions of the Affordable Care Act (ACA) to change Medicaid drug reimbursement, effective April 1, 2017.

The final rule creates a regulatory definition for Average Manufacturer Price (AMP), which is the program's key metric both for the determination of manufacturer rebates as well as pharmacy reimbursement for certain generic drugs that are subject to the Federal Upper Limit (FUL). The final regulation updates the FUL formula for payment of certain generic drugs, creating incentives for pharmacies to utilize generic drugs because pharmacy costs for these drugs will be regularly updated.

The final regulation also implements the ACA provision that extended rebates to covered outpatient drugs provided to beneficiaries enrolled in Medicaid managed care organizations. The final rule is designed to ensure that pharmacy reimbursement is aligned with the acquisition cost of drugs and that the states pay an appropriate professional dispensing

fee. Virginia was the first state in the nation to have their state plan amendment approved by CMS. On January 9, 2017, the new pharmacy reimbursement formula will be AMP + $10.65.

November DUR Board Summary

The Board reviewed 2 new medications- Venclexta ® and Xiidra® and approved a service authorization for Venclexta. The Board also reviewed the results of several utilization analyses: compounded prescriptions, adult and pediatric opioid utilization and Synagis.

Based in the analysis of the compounded prescription data, the Board recommended a service authorization be required for all compounded prescriptions over $500. The criteria for approval will be based on peer review studies which prove the safety and effectiveness of these preparations. Programming changes will be required in the Point Of Sale system to process this program change. The Board asked that this analysis be continue for the upcoming meeting in February.

An 88% decrease in pediatric opioid medication units dispensed from the second quarter of 2016 to the third quarter. For the adult population at 57% in utilization was noted. The Board wished to continue to review these analyses at the next meeting.

DMAS is revising its criteria for Synagis authorizations. Currently appeals are reviewed internally by DMAS medical staff.

The next DUR Board meeting is scheduled for February 9, 2017.

The minutes from the August 2016 meeting can be found at http://www.dmas.virginia.gov/Content_pgs/pharm-durb.aspx .

New Clinical Service Authorizations – effective date December 1, 2016

Brand Name	Generic Name	Indication
Venclexta	venetocax	Treatment of chronic lymphocytic leukemia