COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

KAREN KIMSEY
DIRECTOR

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804-786-7933
www.dmas.virginia.gov

MEMORANDUM

TO: The Honorable Thomas K. Norment, Jr.
Co-Chairman, Senate Finance Committee

The Honorable Emmett W. Hanger, Jr.
Co-Chairman, Senate Finance Committee

The Honorable S. Chris Jones
Chairman, House Appropriations Committee

Daniel Timberlake
Director, Department of Planning and Budget

FROM: Karen Kimsey KK
Director, Virginia Department of Medical Assistance Services

SUBJECT: Report on the Activities of the Pharmacy Liaison Committee (PLC) and the Drug Utilization Review (DUR) Board

The 2019 Appropriation Act, Item 303 L states The Department of Medical Assistance Services shall implement continued enhancements to the drug utilization review (DUR) program. The department shall continue the Pharmacy Liaison Committee and the DUR Board. The department shall continue to work with the Pharmacy Liaison Committee to implement initiatives for the promotion of cost-effective services delivery as may be appropriate. The department shall solicit input from the Pharmacy Liaison Committee regarding pharmacy provisions in the development and enforcement of all managed care contracts. The department shall report on the Pharmacy Liaison Committee's and the DUR Board's activities to the Board of Medical Assistance Services and to the Chairmen of the House Appropriations and Senate Finance Committees and the Department of Planning and Budget no later than December 15 each year of the biennium. This report responds to the requirement in Item 303 L that the Department annually report on the activities of the Pharmacy Liaison Committee and the Drug Utilization Review (DUR) Board.

Should you have any questions or need additional information, please feel free to contact me at (804) 786-8099.

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Enclosure

pc: The Honorable Daniel Carey, MD, Secretary of Health and Human Resources

Annual Pharmacy Liaison Committee and Drug Utilization Review Board Report- FY- 2019

A Report to the Virginia General Assembly *December 1, 2019*

Report Mandate:

The 2019 Appropriation Act, Item 303 (L) The Department of Medical Assistance Services shall implement continued enhancements to the drug utilization review (DUR) program. The department shall continue the Pharmacy Liaison Committee and the DUR Board. The department shall continue to work with the Pharmacy Liaison Committee, meeting at least semi-annually, to implement initiatives for the promotion of cost-effective services delivery as may be appropriate. The department shall solicit input from the Pharmacy Liaison Committee regarding pharmacy provisions in the development and enforcement of all managed care contracts. The department shall report on the Pharmacy Liaison Committee's and the DUR Board's activities to the Board of Medical Assistance Services and to the Chairmen of the House Appropriations and Senate Finance Committees and the Department of Planning and Budget no later than December 15 each year of the biennium.

Background

Pharmacy Liaison Committee

The Pharmacy Liaison Committee (PLC) is comprised of appointed members who meet periodically to discuss pertinent Medicaid pharmacy issues and the impact on the pharmacy community. The PLC includes representatives from: (1) long-term care pharmacies; (2) the Pharmaceutical Research and Manufacturers Association (PhRMA); (3) the Virginia Association of Chain Drug Stores (VACDS); and, (4) the Virginia Pharmacists Association (VPhA).

The PLC met on July 18, and December 5, 2019 to discuss initiatives for the promotion of cost-effective services. The Department of Medical Assistance Services (DMAS) shared with the Committee the work the agency has completed and upcoming planned activities with particular emphasis on updates on Medicaid expansion. In addition, DMAS staff provided updates on the General Assembly Updates / Legislative Proposals, Virginia's Pharmacy Cost of Dispensing Survey, the Pharmacy Benefit Manager (PBM) Transparency Report Update, and the Screening Brief Intervention, and Referral to Treatment (SBIRT) & Pharmacist Credentialing Screening.

About DMAS and Medicaid

DMAS's mission is to improve the health and well-being of Virginians through access to high-quality health care coverage.

DMAS administers Virginia's Medicaid and CHIP programs. Through the Medallion 4.0 and Commonwealth Coordinated Care (CCC) Plus managed care programs, more than 1 million Virginians access primary and specialty health services, inpatient care, behavioral health, and addiction and recovery treatment services. In addition, Medicaid long-term services and supports enable thousands of Virginians to remain in their homes or to access residential and nursing home care.

Medicaid members historically have included children, pregnant women, parents and caretakers, older adults, and individuals with disabilities. In 2019, Virginia expanded the Medicaid eligibility rules to make health care coverage available to close to 400,000 newly eligible, low-income adults.

Medicaid and CHIP (known in Virginia as Family Access to Medical Insurance Security, or FAMIS) are jointly funded by Virginia and the federal government under Title XIX and Title XXI of the Social Security Act. Virginia generally receives a dollar-for-dollar federal spending match in the Medicaid program. Medicaid expansion qualifies the Commonwealth for a federal funding match of no less than 90 percent for newly eligible adults, generating cost savings that benefit the overall state budget.

Drug Utilization Review Board

The Drug Utilization Review Board (hereafter "the DUR Board") is an expert panel comprised of physicians, pharmacists and nurse practitioners appointed by the DMAS Director. In this capacity, the DUR Board defines the parameters of appropriate medication use within federal and state guidelines; meets periodically to review, revise and approve new criteria for the use of prescription drugs; and, develops drug utilization review criteria by addressing situations in which potential medication problems may arise, such as high doses, drug to drug interactions, drug-diagnosis interactions, adverse drug reactions, and therapeutic duplication.

The DUR Board consists of two programs (1) the prospective DUR (ProDUR) and (2) the retrospective DUR (RetroDUR). The intent of both programs is to help ensure the health and safety of patients.

The ProDUR program involves a review of patients' drug therapy history prior to prescription orders being filled. The ProDUR program allows pharmacy claims to be evaluated at the time claims are submitted. Specifically, the ProDUR program is an interactive on-line, real-time process in which pharmacy claims are evaluated for potential problems related to established criteria for appropriate use (e.g., drug to drug interactions). Due to the short turn-around time associated with point-of-sale processing (30 seconds or less per transaction), immediate alert messages are sent to pharmacists on the most serious potential concerns based on a hierarchy of risks that is continually reviewed by the DUR Board. A pharmacist, based on clinical judgment, can override ProDUR alerts. In these cases, the pharmacist is required to provide justification for the override or the claim will be denied.

Unlike the ProDUR program, which is prospective in nature, the RetroDUR program is a retrospective program. The RetroDUR program examines a history of medication used to identify certain patterns of use. After a computer analysis of claims data is conducted, an expert panel of reviewers evaluates a sampling of records, identifies potential problems and requests the generation of educational intervention letters in appropriate circumstances.

RetroDUR Reviews examine drug utilization (claims data) to identify potentially problematic patterns (e.g., non-compliance, excessive quantities, etc.). The DUR Board decides which drug classes to evaluate, and then the appropriate claims data are extracted. An expert panel of reviewers evaluates a sample of the extracted claims data to identify potentially problematic prescribing practices. When problematic practices (e.g., risk to patient health or safety) are noted, the expert panel requests that the program contractor mail educational intervention letters to providers. The educational letters ("patient profile letters") are customized to each identified case.

Providers are asked to respond to the educational letters to formally acknowledge that they received and reviewed the patient profile letter. Potential responses providers can provide include:

- Aware of situation and no adjustment to current therapy is necessary at this time;
- Plan to discontinue medication(s);
- Information clinically useful and plan to alter treatment regimen for specified patient;
- Information clinically useful and plan to monitor or counsel specific patient;
- Plan to change dose;
- Information regarding patient or provider appears to be incorrect; or,
- Other (additional comments may be added by prescribers).

Seven months after the letters are sent to providers; the DUR Board conducts re-reviews to assess whether providers accepted recommended changes resulting in increased compliance to accepted treatment guidelines.

Often the goal of the RetroDUR program is not to change the prescriber's treatment pattern, but rather to alert them to recent warnings or research findings pertaining to certain medications. This is an informative program and it is up to the prescriber to determine the potential impact to his/her patients. A change in therapy may not be warranted. The re-review change in therapy rate does not accurately depict the impact of this program. Most of the prescribers responded that they found the information useful and even though a change may not be necessary, they planned to closely monitor the current treatment regimen.

The DUR Board met on March 14, June 13, September 26, and December 12, 2019. At each meeting, the DUR Board approved criteria associated with overutilization, therapeutic duplication, drug to disease interactions, drug to drug interactions, appropriate dose and duration

for new drugs, revised and approved criteria for existing drugs, and updated existing criteria which were integrated into both the ProDUR and the RetroDUR programs. In addition, the Board reviewed 16 new drugs. The Board reviewed two physician administered medications (PADs) and approved specific criteria in March and reviewed three PADs and approved specific criteria in June. The Board continues to monitor antipsychotic medications in children, Synagis utilization, pediatric and adult narcotic utilization, compounded drug claims analysis, naloxone utilization, and develop service authorization criteria for select drugs not included on the DMAS Preferred Drug List (PDL).

Key DUR Board Activities in 2019

Stimulant Utilization

The Board reviewed and discussed a Stimulant drug use by age report. There was a concern over stimulant use in children under the age of 3, which is not FDA indicated. DMAS and Magellan focused on the members under the age of 3 taking stimulants and reviewed their patient profiles. The Board reviewed Stimulant utilization over the last 5 years for members in the Fee For Service (FFS) and Managed Care Organizations (MCO) populations and the Stimulant claims by state comparison benchmark. In addition, the Board reviewed Stimulant use in adults with approved indications and stimulant use in adults with unapproved indications. Educational letters were sent to the prescribers.

Compounded Drug Claims Analysis

In March, the Board reviewed the resulting data since the compound edit was implemented on November 26, 2018 to change the compounded prescriptions over $500 service authorization. This was their first review since the decision was made that the maximum per compound drug be decreased to $250 and $500 maximum for all compounds per 30 days. This includes oral and topical compounds and excludes injectable compounds. Compound claims over these limits are forwarded to the DMAS physicians for review and approval or denial. The compound utilization reports showed a decline in claims for compounds since the edit was changed.

Clinical Lab Data

In 2018, Magellan Health Services presented a Lab Data demonstration to the DUR Board. Through contractual agreements established with major lab companies, lab/clinical information for DMAS members is received and loaded into the RetroDUR clinical rules engine (FirstIQ) based on the unique VA Medicaid Identification Number for Fee-for-Service or Medicaid Managed Care members.

DMAS can incorporate laboratory values into the RetroDUR process by developing algorithms that include specific member laboratory data. During RetroDUR interventions, the lab information can be exported to the prescriber letter and can be referenced in the targeted communication.

As the first Medicaid program to initiate the incorporation of lab data in 2018, Virginia Medicaid's DUR program was at the forefront among all the other state Medicaid DUR programs. In 2019, Magellan was able to capture the MCO information for review and comparison.

At each quarterly meeting in 2019, the Board was able to review and compare the same utilization reports for the FFS members as well as those members in each of the contracted MCOs.

RetroDUR Topics

- Atypical Antipsychotics without metabolic testing
- Gabapentin scheduling for Virginia – Provider notice
- Federal Drug Administration (FDA) warns about increased risk of rupture or tear of aorta with fluoroquinolones in certain patients including those over age 6
- Central Nervous System (CNS) Polypharmacy
- Members age 18 and over with claims for Stimulant type Attention Deficit Hyperactivity Disorder (ADHD) treatments

RetroDUR Educational Letters

Below is a list of the topics addressed within the RetroDur Educational Letters this year:

- Combination Therapy with Opioid and Benzodiazepines

- Concomitant Oral and Injectable Antipsychotics
- Stimulant Use in Children under Ages of 3 and in Adults
- High Risk for an Opioid Overdose and No Naloxone Claims
- Opioid and Gabapentin Concurrent Use
- FDA Warning for Increased Risk of Ruptures or Tears in the Aorta with Fluoroquinolones
- Opioid and Pregabalin Concurrent Use
- Gabapentin as a Schedule V Controlled Substance as of July 1, 2019.
- Gabapentin Doses Greater than 3600 mg per day

Managed Care Organizations (MCOs) DUR Programs

Pursuant to 42 CFR§ 438.3, the Managed Care Organizations (MCOs) are required to develop and maintain a DUR program that complies with the DUR program standards as described in Section 1927(g) of the Social Security Act and 42 CFR 456, subpart K, including prospective DUR, retrospective DUR and the DUR Board. DMAS contractually requires the MCOs to establish a DUR program that at a minimum includes all the DUR activities conducted by DMAS.

The Department's clinical DUR pharmacist participates, provides oversight, and serves on each MCO's DUR Board as a voting representative.

Summary

In conclusion, DMAS will continue to work with the Pharmacy Liaison Committee to implement initiatives for the promotion of cost-effective services and continue to implement enhancements to the DUR program. The DUR board medical experts will continue to provide counsel to the department regarding appropriate medication utilization for Virginia's Medicaid enrollees.

Appendix

PHARMACY LIAISON COMMITTEE MEMBERS

NAME	AFFILIATION
Bill Hancock	Long Term Care Pharmacy Coalition
William Droppleman	Virginia Association of Chain Drug Stores
Alexander M. Macaulay	Community Pharmacy (EPIC)
Anne Leigh Kerr	Pharmaceutical Research & Manufacturers of America
Christina Barille	Virginia Pharmacists Association

DUR BOARD MEMBERS

Name	Profession
Randy Ferrance	Physician
Denese Gomes	Nurse
Kathryn B. Reid	Nurse
Vacant	Pharmacist
Melissa Chouinard	Physician
Avtar Dhillon	Physician
Bill Rock	Pharmacist
Denise Lowe	Pharmacist
Michele Thomas	Pharmacist
Kathy Sardegna/ Chethan Bachireddy	Physician
Wendy Nash	Pharmacist
Seth Brant	Physician
Rachel Cain	Pharmacist