COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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January 13, 2024

MEMORANDUM

TO: The Honorable Louise L. Lucas
Chair, Senate Finance Committee

The Honorable Luke Torian
Chair, House Appropriations Committee

Michael Maul
Director, Virginia Department of Planning and Budget

Members, Virginia Board of Medical Assistance Services

FROM: Cheryl Roberts
Director, Virginia Department of Medical Assistance Services

SUBJECT: Annual Pharmacy Liaison Committee and Drug Utilization Review Board Report FY2023

This report is submitted in compliance with Item 304.L. of the 2023 Appropriations Act which states:

304.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 Pharmacy Liaison Committee shall include a representative from the Virginia Community Healthcare Association to represent pharmacy operations and issues at federally qualified health centers in Virginia. 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 and Appropriations Committees and the Department of Planning and Budget no later than December 15 each year of the biennium.

Should you have any questions or need additional information, please feel free to contact me at (804)664-2660

CR/wrf
Enclosure

Pc: The Honorable John Littel, Secretary of Health and Human Resources

Annual Pharmacy Liaison Committee and Drug Utilization Review Board Report FY-2023

A Report to the Virginia General Assembly *January 13, 2024*

Report Mandate:

The 2023 Appropriation Act, Item 304. 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 Pharmacy Liaison Committee shall include a representative from the Virginia Community Healthcare Association to represent pharmacy operations and issues at federally qualified health centers in Virginia. 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 and Appropriations 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 twice a year to discuss the promotion of cost-effective services to assist Medicaid pharmacy issues impacting 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); (4) the Virginia Pharmacists Association (VPhA); (5) Community Pharmacies and (6) the Virginia Community Healthcare Association (VCHA).

The PLC met on December 1, 2023, and July 13, 2023, to discuss initiatives for the promotion of cost-effective services. The Department of Medical Assistance Services (DMAS) shared with the Committee the pharmacy-related activities the Agency has recently completed and planned. This included information related to pharmacists as providers, members eligibility revalidation, 5 dispensing fees, CURES compliance, and vaccines for children's program.

About DMAS and Medicaid

The mission of the Virginia Medicaid agency is to improve the health and well-being of Virginians through access to high-quality health care coverage.

The Department of Medical Assistance Services (DMAS) administers Virginia's Medicaid and CHIP programs for over 2 million Virginians. Members have access to primary and specialty health services, inpatient care, dental, behavioral health as well as 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 more than 600,000 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 an approximate 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% for newly eligible adults, generating cost savings that benefit the overall state budget

One of the Committee representatives recommended to the Committee and DMAS staff the possibility of allowing Clinical Pharmacist Practitioners to enroll directly as Medicaid providers, which allows them to directly bill and to receive direct payment. By expanding the ability of pharmacists to prescribe, modify, or monitor drug therapy for certain medications may be effective at helping to address public health issues by improving access to care. There was much discussion by the committee regarding pharmacist provider status. There were many questions surrounding the training, certification, payment and logistics of pharmacist in this role.

At the July meeting, DMAS shared that 26 states signed into law, payment for pharmacist-provided patient care services and/or the designation of pharmacists as providers and there was an Act to amend and reenact § 32.1-325 via SB 1538 during 2023 General Assembly, Enrolling pharmacists as providers would create a pathway for payment for services provided or supervised by a pharmacist and E&M codes will be utilized for payment model. The proposed services using Board of Pharmacy protocol include Lowering Out of Pocket Expenses, Tobacco Cessation, PEP & PrEP, Vaccinations, Prenatal Vitamins, Naloxone, Epinephrine, Family Planning Contraceptives (Access to 12 month supplies as authorized by DMAS), and Dietary Fluoride. The Financial Impact Assessment Form submitted by DMAS during GA 2023 indicated budget neutrality/cost savings based on site of service (Expected shift of services billed from existing provider types). Pharmacists may bill for the medication at Point of Sale (POS) and the E&M code on 1500 or 837P form. The key collaborative processes of information collection, DMAS system changes, Pharmacy Unit updates and community outreach were discussed. Future opportunities for collaboration include quality improvement, vaccines for children program with VDH, and the DMAS ARTS team.

Drug Utilization Review Board

The Drug Utilization Review (DUR) Board (hereafter “the DUR Board”) is an expert panel comprised of physicians, pharmacists and nurse practitioners appointed by the DMAS Director. 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 to address potential threats to the health and safety of patients, such as high doses, drug-to-drug interactions, drug-diagnosis interactions, adverse drug reactions, and therapeutic duplication.

Drug Utilization Review, as defined in section 1927(g) of the Social Security Act, 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 by reducing clinical abuse and misuse of outpatient prescription drugs.

The ProDUR program involves an interactive on-line, real-time process in which submitted prescriptions are reviewed for potential problems related to established criteria (e.g., drug-to-drug interactions) at the time claims are submitted, before they are filled or dispensed to patients. 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 for the most serious potential concerns based on a hierarchy of risks established and managed by the DUR Board. Of note, given the nuances of clinical situations and risks a pharmacist is able to override ProDUR alerts using their clinical judgement. In these cases, the pharmacist is required to provide clinical justification for the override. If pharmacists are unable to provide clinical justification, the claim will be denied.

Unlike the ProDUR program, which is prospective in nature, the RetroDUR program uses claims data to retrospectively monitor drug utilization and identify concerning trends around prescription practices (e.g., non-adherence to medication, over-utilization of medications with high side effect profiles and preferred alternatives). When problematic practices (e.g., risk to patient health or safety) are identified by the DUR Board, an expert panel, under the direction of the Board, drafts and mails educational letters to the providers of affected DMAS members, identifying the prescription practice of concern and reinforcing current—often new—best-practices. Seven months after letters are sent, the DUR Board may reassess prescription practices to assess whether additional interventions may be helpful at increased adherence to accepted treatment guidelines.

The DUR Board was scheduled to meet on December 1, 2022, March 9, June 8, and September 14, 2023. Due to lack of a quorum, the December meeting was cancelled. At each meeting held, the DUR Board reviewed seven characteristics

(overutilization, therapeutic duplication, drug-to-disease interactions, drug-to-drug interactions, appropriate dose and duration) and established criteria for a total of thirteen (13) new drugs and revised and discussed criteria for a number of existing drugs. Additionally, the Board continued to monitor anticipated "pipeline" specialty drugs, Antipsychotic medication utilization in Pediatrics, Concurrent use of Opioids and Benzodiazepines, Concurrent use of Opioids and Antipsychotics, Antidepressant medications in children, Mood stabilizer medications in children, Synagis utilization for Respiratory Syncytial Virus, pediatric and adult narcotic utilization, and naloxone utilization.

Key DUR Board Activities in 2023

High-Impact Reports

In FY2023, the DUR Board generated and reviewed reports on the following high-interest populations and drug classes:

Pediatric Members receiving Antipsychotic medications, Antidepressant Medications, and Mood Stabilizer Medications:

Antipsychotic Medications in Children – The DUR Board reviewed Antipsychotic Medications in Children reports for FFS and MCOs at the March and September 2023 meetings. At the September meeting, the Board requested a follow-up for children 2 years of age and younger being prescribed an antipsychotic. DMAS will perform a follow-up and report to the Board at the next meeting.

Antidepressant Medications in Children – The DUR Board reviewed Antidepressant Medications in Children reports for FFS and MCOs at the March and September 2023 meetings. There was discussion around suicidal ideations in the pediatric population and questions on how that is monitored and managed. A request was made for a report looking at unique pediatric members with the diagnosis of suicidal ideation for FFS and MCOs. At the September meeting, the Board requested a follow-up for children 2 years of age and younger being prescribed an antidepressant. DMAS will perform a follow-up and report to the Board at the next meeting.

Mood Stabilizer Medications in Children – The DUR Board reviewed Mood Stabilizer Medications in Children reports for FFS and MCOs at the March and September 2023 meetings. At the March meeting, a request was made to see if there were any overlaps in therapy for pediatric members on antipsychotics, antidepressants, and mood stabilizers. At the September meeting, the Board requested a follow-up for children 2 years of age and younger being prescribed a mood stabilizer. DMAS will perform a follow-up and report to the Board at the next meeting.

Overlaps in Antipsychotics, Antidepressants and Mood Stabilizers in Children – At the September 2023 meeting, the DUR Board reviewed overlaps in Antipsychotics, Antidepressants and Mood Stabilizers in Children reports for FFS and MCOs. This topic will continue to be reviewed by the DUR Board twice a year.

Class Criteria

Recognizing the low utilization and redundant content of some DMAS service authorization (SA) forms—and the fact that the Virginia fee-for-service (FFS) Medicaid system has more SA criteria forms than other Magellan Medicaid state client—beginning in FY2021 the DUR Board began reviewing and consolidating individual agent SA criteria and forms into "class" criteria with the goal of streamlining providers' receipt of SA approval and member access to necessary drugs. Class criteria reviewed in FY2023 by the DUR Board include oral oncology - lung cancer and other neoplasm agents, oral oncology – breast cancer and other neoplasm agents and Oral Oncology – hematologic cancers and other neoplasm drugs based on the circumstances and discussions summarized below:

Oral Oncology – Lung Cancer

The DUR Board reviewed the overall low utilization of lung cancer oral oncology drugs, and discussed newly proposed, and consolidated, Oral Oncology Lung Cancer Service Authorization class criteria, prepared by Magellan Health Services. The new criteria consolidate the criteria for lung cancer oral oncology drugs into a single form with standardized criteria.

This new SA form would eliminate the multitude of single SA forms for individual lung cancer oral oncology drugs and was reviewed at the March 2023 DUR meeting. The Board voted and made changes to the Lung Cancer Drugs SA form.

Oral Oncology – Breast Cancer

The DUR Board reviewed newly proposed Oral Oncology Breast Cancer SA class criteria. The new criteria combine all the breast oral oncology drugs to create one SA criteria for the entire class. This new SA form would eliminate the single SA criteria forms for individual breast oral oncology drugs. The DUR Board also reviewed the utilization of these breast oral oncology drugs for FFS. At the June 2023 DUR meeting, the Board voted and made changes to the Breast Cancer Drugs SA form.

Oral Oncology – Hematologic Cancers and other Neoplasm Drugs

The DUR Board reviewed the current SA class criteria for Oral Oncology – Hematologic Cancers and Other Neoplasm Drugs at the June 2023 meeting. After discussion by the board, they voted to accept the SA criteria with new updates along with the new FDA approved indications.

Clinical Lab Data

Through contractual agreements with major lab companies, lab/clinical information for DMAS FFS and MCO members can be used to make decisions around RetroDUR activities via the FirstIQ clinical rule engine. Additionally, this allows lab information to be included in letters to prescribers and referenced in targeted communications. As the first Medicaid program to initiate the incorporation of lab data in 2018, Virginia Medicaid's DUR program was at the forefront of state Medicaid DUR programs and has continued to leverage these data in 2022 and 2023. The availability of lab results mitigates the outreach required to ask physicians to validate a test result or ask if a lab test had been done recently. The addition of the lab results information through this process has potential to greatly improve RetroDUR capabilities and help to better engage prescribers by not asking for information that we should already have.

RetroDUR Topics and Educational Letters

Below is a list of the topics addressed in FY2023:

- Prescriber letter to enroll in VA Medicaid
- Atypical Antipsychotics without metabolic testing
- GIP or GLP-1 claims without a diagnosis of diabetes or prediabetes in history.
- Metformin claim in last 3 months with 2 or more HI (7.5) HgbA1C levels in 6 mns, no second drug in last 3 months
- Lithium claim in last 3 months and HI Lithium lab value (1.2) in last 3 months
- Antipsychotics in 3 last 3 months and 2 or more Hemoglobin A1C levels over 8in last 6 months
- Metformin claim in last 3 months with 1 or more HgbA1C value > 8 in last 6 months and no other medications for diabetes in last 6 months

Managed Care Organizations (MCOs) DUR Programs

Pursuant to 42 CFR§ 438.3, each Medicaid Managed Care Organization (MCO) is 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. In 2023, some of the DMAS DUR Board RetroDUR topics were reviewed and addressed by individual MCO DUR boards. These include Opioid utilization and no naloxone claims. . In addition, the MCO DUR Boards reviewed their antipsychotic monitoring in pediatrics programs, naloxone utilization, concurrent use of opioids and benzodiazepines, concurrent use of opioids and antipsychotics, and other similar analyses conducted by DMAS. The Department's clinical DUR pharmacist participates, provides oversight, and serves on each MCO's DUR Board as a voting representative. At each quarterly DMAS DUR meeting in 2023, 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.

Summary

DMAS will continue to work with the Pharmacy Liaison Committee to promote cost-effective pharmacy services and to advance the health and safety of Virginia's Medicaid patients via the DUR program Board members' insights into appropriate medication utilization.

Appendix

PHARMACY LIAISON COMMITTEE MEMBERS

NAME	AFFILIATION
Bill Hancock	Long Term Care Pharmacy Coalition
Derek Parvizi	Virginia Association of Chain Drug Stores ((VACDS)
John Seymour	Community Pharmacy (Independent)
Richard Grossman	Pharmaceutical Research & Manufacturers of America (PhRMA)
Christina Barille/ Karen Winslow	Virginia Pharmacists Association (VPhA)
David Christian	Virginia Community Healthcare Association (VCHA)

DUR BOARD MEMBERS

Name	Profession
Randy Ferrance	Physician
Denese Gomes	Nurse
Kathryn B. Reid/ Jack Weisskohl	Nurse
Kristi Fowler	Pharmacist
Melissa Chouinard	Physician
Elizabeth Gaughan	Physician
Matthew Estes	Pharmacist
Denise Lowe	Pharmacist
Michele Thomas	Pharmacist
John Morgan	Physician
Wendy Nash	Pharmacist
Seth Brant	Physician
Rachel Cain	Pharmacist