COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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December 15, 2025

MEMORANDUM

TO: The Honorable Luke E. Torian
Chair, House Appropriations Committee

The Honorable L. Louise Lucas
Chair, Senate Finance and Appropriations Committee

Michael Maul
Director, Department of Planning and Budget

Jason Brewster
Chair, Board of Medical Assistance Services

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

SUBJECT: Pharmacy Liaison Committee and DUR Board Activities Annual Report

This report is submitted in compliance with Item 288.U. of the 2025 Appropriations Act, which 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, 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/wf
Enclosure

Pc: The Honorable Janet V. Kelly, Secretary of Health and Human Resources

Pharmacy Liaison Committee and the DUR Board Activities Report

December 2025

Report Mandate:

Item 288.U. of the 2025 Appropriations Act 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, 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.

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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).

Current Year Activities

The PLC met on December 19, 2024, to discuss initiatives for the promotion of cost-effective services. The Department of Medical Assistance Services (DMAS) shared with the Committee the pharmacy-related activity the Agency has recently completed and planned. This included information related to the cost of dispensing (COD) fee survey and the 2025 General Assembly initiatives.

In August 2024, DMAS asked each PLC member if they would be willing to Champion the COD survey in one of the six regions in the Commonwealth of Virginia. With the PLC members' support for this project, the expectation was to gain a much higher rate of participation for the survey. The results of the survey were shared at the December meeting. DMAS thanked the committee members for their assistance in encouraging the community and independent pharmacies to complete the survey so that their costs of

dispensing could be reflected in the survey results.

The meeting scheduled for July 24, 2025, was cancelled in order to ensure optimal implementation of Cardinal Care.

The next meeting will be held on December 19, 2025. Prior to PLC meetings, members have an opportunity to provide input towards agenda topics, and the finalized agenda is presented for discussion.

Drug Utilization Review Board

The Drug Utilization Review (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, online, 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 of potential concerns based on a hierarchy of risks established and managed by the DUR Board. Given the nuances of clinical situations and risks, a pharmacist can 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-risk side effects 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 determine whether additional interventions may be helpful to increased adherence to accepted treatment guidelines.

The DUR Board was scheduled to meet on December 12, 2024, and March 13, June 12, and September 11 of 2025. The meetings in December and September were cancelled due to lack of a quorum.

Due to the cancellation of the December 12, 2024, meeting, an emergency DUR Board meeting was scheduled on January 15, 2025, to discuss and vote on criteria for 10 cellular and gene therapy drugs presented at the June 13, 2024, DUR Board meeting. The Office of the Attorney General stated that the voting as set forth by the bylaws of the DUR Board were not met for this emergency meeting. The criteria were adopted by DMAS.

At the meetings in March and June of 2025, the Board reviewed seven characteristics (overutilization, therapeutic duplication, drug-to-disease interactions, drug-to-drug interactions, appropriate dose, and duration) and reviewed a total of 19 new drugs, including T-Cell therapies, and revised and discussed criteria for several existing drugs. They established criteria on the nineteen new drugs. Additionally, the Board continued to monitor anticipated pipelines of 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, overlaps in antipsychotics, antidepressants, and mood stabilizers in children, overlaps in opioids, benzodiazepines, and antipsychotics, naloxone and buprenorphine utilization for members on opioids, Synagis utilization for respiratory syncytial virus, pediatric and adult narcotic utilization, and naloxone utilization.

Key DUR Board Activities: December 2024 – October 2025

High-Impact Reports

In FY2025, the DUR Board generated and reviewed reports on the following high-interest populations and drug classes:

Members Receiving Concurrent Use of Opioids and Benzodiazepines, Concurrent Use of Opioids and Antipsychotic Medications and Overlaps in Opioids, Benzodiazepines, and Antipsychotic Medications and Naloxone and Buprenorphine Utilization for Members on Opioids:

Concurrent Use of Opioids and Benzodiazepines

At the March and June 2025 meetings, the DUR Board reviewed reports on concurrent use of opioids and benzodiazepines for fee-for-service (FFS) and managed care organizations (MCOs).

In March, the Board requested a chart or graph be developed to show trends over the past five years for future reviews. At the June meeting, the Board requested that DMAS work together with the contracted Managed Care Organizations (MCOs) to provide interventions through lettering or Medication Therapy Management (MTM) services for members that had International Classification of Diseases (ICD-10) codes for an overdose event without naloxone having been filled in the previous two years. They also requested that the five-year trend charts have vertical lines added to show certain dates that previous interventions were implemented.

Concurrent Use of Opioids and Antipsychotics

At the March and June 2025 meetings, the DUR board reviewed reports on the concurrent use of opioids and antipsychotics for FFS and MCOs. In March, the Board reviewed the ICD-10 codes data which was previously requested to determine the reason for concomitant use. At the June meeting, the Board requested a chart or graph be developed to show trends over the past five years for future reviews.

Overlaps in Opioids, Benzodiazepines, and Antipsychotics

At the March and June 2025 meetings, the DUR Board reviewed reports on overlaps in opioids, benzodiazepines, and antipsychotics reports for FFS and MCOs. At the March meeting, the Board requested a chart or graph be developed to show trends over the past five years for future reviews. At the June meeting, the Board reviewed the ICD-10 codes data which was previously requested to determine the reason for concomitant use.

Naloxone and Buprenorphine Utilization for Members on Opioids

At the March and June 2025 meetings, the DUR Board reviewed Naloxone and Buprenorphine utilization for members on opioids reports for FFS and MCOs. At the March meeting, the Board requested a chart or graph be developed to show trends over the past five years for future reviews. Also, the Board requested to change the verbiage of “Opioid Abuse Disorder” anywhere on the report to “Substance Use Disorder”. At the June meeting, the Board requested that the five-year trend charts have vertical lines added to show certain dates that previous interventions were implemented.

Pediatric Members Receiving Antipsychotic Medications, Antidepressant Medications, Mood Stabilizer Medications and Overlaps in Antipsychotic, Antidepressant and Mood Stabilizer Medications:

Antipsychotic Medications in Children

The DUR Board reviewed reports on antipsychotic medications in children for FFS and MCOs at the March 2025 meeting. The behavioral therapy data and ICD-10 data was included in this

report and for the five youngest FFS members. The Board requested a chart or graph be developed to show trends over the past five years for future reviews.

Antidepressant Medications in Children

The DUR Board reviewed reports on antidepressant medications in children for FFS and MCOs at the March 2025 meeting. The behavioral therapy data and ICD-10 data was also included in this report for the five youngest FFS members. The Board requested a chart or graph be developed to show trends over the past five years for future reviews.

Mood Stabilizer Medications in Children

The DUR Board reviewed reports on mood stabilizer medications in children for FFS and MCOS at the March 2025 meeting. The behavioral therapy data and ICD-10 data was also included in this report for the five youngest FFS members. The Board requested a chart or graph be developed to show trends over the past five years for future reviews.

Overlaps in Antipsychotic, Antidepressant and Mood Stabilizer Medications in Children

At the March 2025 meeting, the DUR Board reviewed a report on overlaps in antipsychotics, antidepressants and mood stabilizers in children for FFS and MCOs. The behavioral therapy data and ICD-10 data was also included in this report for the five youngest FFS members. The Board requested a chart or graph be developed to show trends over the past five years for future reviews.

Class Criteria: Oral Oncology

Class criteria reviewed in FY2025 by the DUR Board included oral oncology – hematologic cancers and other neoplasm drugs, oral oncology – other cancers and other neoplasm drugs, oral oncology – breast cancers and other neoplasm drugs, and oral oncology – lung cancers and other neoplasm drugs at the March 2025 meeting. After discussion by the Board, they voted to accept the SA criteria with new updates: add the new drug to the SA criteria along with the Food and Drug Administration (FDA) indications and minimum age from the most recent manufacturer's package insert for each drug.

Physician Administered Drug (PAD) Program

The DUR Board reviewed and approved criteria for some physician administered drugs at the January and June 2025 meetings. An emergency DUR Board meeting was scheduled on January 15, 2025, to discuss and vote on criteria for 10 cellular and gene therapy drugs presented at the June 13, 2024, DUR Board meeting. Prior to the June 2024 meeting, DMAS and Pharmacy Benefit Management System (PBMS) staff reviewed, discussed, and compared criteria for the 10 cellular and gene therapy drugs from the individual contracted MCOs for continuity of care.

The Office of the Attorney General stated that the voting as set forth by the bylaws of the DUR Board were not met for this emergency meeting. The criteria were adopted by DMAS.

At the June 2025 meeting, the Board reviewed, discussed and approved criteria on eight T-Cell therapies. Prior to this meeting, DMAS requested the MCO DUR Board representative review, compare, and discuss criteria for these 8 therapies with each MCO and report to DMAS any comments or recommendations. By collaborating with the MCOs, DMAS hopes to keep the continuity of care consistent for the Medicaid members.

Glucagon-Like Peptide-1 Receptor Agonist (GLP-1 RA) Utilization

At the June 2025 meeting, the DUR Board reviewed Glucagon-Like Peptide-1 Receptor Agonist (GLP-1 RA) Utilization reports for FFS and the MCOs, at the suggestion of the Pharmacy and Therapeutics (P&T) Committee. The reports included a breakdown of member adherence to therapy for GLP-1 RA drugs for weight loss and for diabetes. The Board requested that the factors considered for adherence be included alongside the reports for review at a future meeting.

Clinical Lab Data

Through contractual agreements with major lab companies, lab/clinical information for Medicaid members in FFS and managed care 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 incorporation of lab data in 2018, Virginia Medicaid's DUR program was at the forefront of state Medicaid DUR programs and continued to leverage these data in 2024 and 2025.

The availability of lab results mitigates the outreach required to ask physicians to validate a test result or ask if a lab test has been done recently. The addition of the lab results information through this process has potential to greatly improve RetroDUR capabilities and help better engage prescribers by not asking for information that DMAS should already have.

RetroDUR Topics and Educational Letters

Below is a list of the topics addressed in FY2025:

- Atypical antipsychotics without metabolic testing (re-review)
- High-risk medications in the elderly

Managed Care Organizations (MCOs) DUR Programs

Pursuant to 42 CFR § 438.3, each 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 2025, 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 Agency's clinical DUR pharmacist participates, provides oversight, and serves on each MCO's BUR Board as a voting representative. At each quarterly DMAS DUR meeting in 2025, the Board was able to review and compare the same utilization reports for the FFS members as well as those members in managed care.

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. All agendas and minutes may be found on the website https://www.dmas.virginia.gov/for-providers/benefits-services-for-providers/pharmacy-and-drug-formularies/.

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)
Jamie Fisher	Virginia Pharmacists Association (VPhA)
David Christian	Virginia Community Healthcare Association (VCHA)

DUR Board Members

Name	Profession
Vacant	Physician
Denese Gomes	Nurse
Jack Weisskohl	Nurse
Kristi Fowler/Brian Trentler	Pharmacist
Melissa Chouinard	Physician
Elizabeth Gaughan	Physician
Vacant	Pharmacist
Denise Lowe	Pharmacist

Michele Thomas	Pharmacist
Elizabeth Krieger	Physician
Wendy Nash	Pharmacist
Seth Brant	Physician
Rachel Cain	Pharmacist

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 approximately two 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.