

# Pharmacy Policy on Carving Out Drugs

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- In FY 2018 Manatt and Milliman were hired to assess Maryland's HealthChoice rate-setting system and to make recommendations for improvement.
- Recommendations focused for on how to improve the efficiency, transparency, accountability and cost-effectiveness of the system.
- One key recommendation was to:
  - Design and Implement a standardized analytical framework to determine how to manage, pay for, and mitigate the risk of high-cost drugs. The framework should consider the cost of the drug, as well as the predictability and distribution of users of the drug across MCOs.
- Over the last year, we have been working with our actuary – Optumas – to develop a pharmacy policy for high-cost drugs.

# Pharmacy Policy on Carving Out Drugs

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- Our initial discussions have focused on two areas
  - High cost drugs that are low volume
  - High cost drugs that are high volume and there are disproportionate use-rates across the MCOs
  
- Our goal is to implement a comprehensive policy for CY 2021.
  
- In our discussions, we determined that HIV drugs would not fall into either of these categories
  - HIV drugs were carved into the MCO benefit up until 2008
  - Prior to the ACA the federal Medicaid Drug Rebate Program was only available for drugs paid for by the state on a fee-for-service basis. MCOs negotiated supplemental rebates. It was determined that the State could save more money on HIV drugs in 2008 if they were carved out of the MCO benefit package and received the federal Medicaid Drug Rebate.
  - Now both fee-for-service and MCO drugs are subject to the federal Medicaid Rebate Program

# HIV/AIDS Medication Carve-In

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- Beginning on **January 1, 2020** HIV/AIDS drugs will be carved-in to HealthChoice
- This makes the MCOs responsible for processing and paying all HIV/AIDS medication claims for their members
- Each MCO's standard co-payments will apply (5 MCOs have \$ 0 copay)
- Outreach efforts
  - Prescribers, Participants, Pharmacies and Stakeholders
  - Communication with Participants and Providers will occur throughout the process

## **HIV/AIDS Medication Carve-In: Project Timeline**

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- Met with HIV experts internally and externally for feedback
- June 2019: Project started with design of detailed work plan
- August/September 2019: Internal meetings related to design and implementation of the work plan held every other week
- August/September 2019: Meetings with the 9 MCOs held every other week
- October 2019: Weekly internal meetings and meetings with the MCOs
- October 2019: Extensive outreach to providers, pharmacies, hospitals, FQHCs, Local Health Departments, and advocacy groups
- November 2019: Outreach to patients; extensive outreach to all stakeholders continues through January 2020

## **HIV/AIDS Medication Carve-In: Outreach Efforts**

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- Provider Communications
  - Hospitals, FQHCs, MCOs, Local Health Departments
  - Physicians, Nurse Practitioners, PA's, Pharmacies
  
- Targeted Prescriber & Patient Letters
  - HIV Specialty Prescribers
  - Patients (will receive letters from MDH and MCOs)
  
- Presentations
  - Advocacy Groups (including HIV Planning Council, Baltimore HIV Health Services Planning Council)
  - Local Health Departments
  - Medicaid Advisory Committee
  - HIV case managers

# HIV/AIDS Medication Carve-In

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- A “soothing period” will be implemented from January 1, 2020 to June 30, 2020 during which MCOs have been mandated to continue their members’ existing antiretroviral (ARV) therapy without changes
  - New patients starting ARV therapies will be subject to the MCOs’ HIV/AIDS medication prescribing requirements during this period
- MDH will monitor various service level data metrics during and after the soothing period, including but not limited to:
  - Number of prior authorization requests
  - Number of new patients
  - Number of patients whose medication regimens change due to MCO formulary
    - MCO’s have been mandated to assign a caseworker to these patients
- MCOs Preferred Drug List available at [MMPPI.COM](http://MMPPI.COM) or Formulary Navigator
- For further clarification call the Maryland Medicaid Pharmacy Program Hotline at 1-800-492-5231 , option #3