RESOURCE UTILIZATION ADDITION
UNIFORM PDL COMPLIANCE MONITORING

BACKGROUND

DOM is working with the MSCAN plans to develop a Uniform Preferred Drug List (UPDL) for implementation this fall. The UPDL will help reduce confusion and frustration among Medicaid providers from having different preferred drugs for the three plans (fee-for-service, United Healthcare and Magnolia). The UPDL will be based on the preferred drugs identified by DOM and the clinical criteria developed by DOM.

MS-DUR is developing a new resource utilization report that will provide DOM and the DUR Board a way to monitor consistent application of the UPDL and to identify potential problems that arise from inappropriate or inconsistent implementation.

The two major components of the proposed new monitoring report are described below with sample tables to facilitate Board discussion and suggestions.

UPDL Compliance with Preferred Drugs

All prescription medications covered by DOM fall into 1 of 3 categories at the time they are dispensed:

- **Preferred –** Drugs in therapeutic categories that ARE reviewed by the DOM Pharmacy and Therapeutics (P&T) Committee and have been identified as preferred products for clinical and/or financial reasons. Preferred drugs can include an entire drug entity, the brand or generic version of a drug entity, or a specific formulation of a drug entity. Preferred drugs may have clinical criteria that have to be met, but otherwise these products are approved without a prior authorization (PA) being required.
- **Non-Preferred –** Drugs in therapeutic categories that ARE reviewed by the DOM P&T Committee and have been identified as non-preferred products for clinical and/or financial reasons. Non-preferred drugs can include an entire drug entity, the brand or generic version of a drug entity, or a specific formulation of a drug entity. PA criteria are specified for when non-preferred drugs will be approved for coverage.
- **Not Reviewed** – Drugs in therapeutic categories that are NOT reviewed by the DOM P&T Committee. These drugs are not listed in the UPDL but must be covered by DOM if they are reimbursed drugs. The only restriction on the use of these drugs is that when a generic is available, the generic must be used and the brand is considered non-preferred.

MS-DUR has proposed generating and reviewing monthly reports for DOM and quarterly reports for the DUR Board on UPDL compliance for each of the three pharmacy plans. The table below is a draft of how these reports would appear for each therapeutic category.

TABLE 1: UPDL COMPLIANCE BY PHARMCY PLAN
July 2013 - June 2014
(FOR EXAMPLE ONLY - SEE NOTES BELOW)

Therapeutic Class / Plan		MONTH											
		2013-07	2013-08	2013-09	2013-10	2013-11	2013-12	2014-01	2014-02	2014-03	2014-04	2014-05	2014-06
Miscellaneous SUBOXONE	**FFS**												
	Total	84	70	54	72	65	51	44	45	50	42	51	68
	Preferred	91.7%	92.9%	90.7%	86.1%	87.7%	86.3%	86.4%	93.3%	92.0%	88.1%	96.1%	89.7%
	Not Preferred	8.3%	7.1%	9.3%	13.9%	12.3%	13.7%	13.6%	6.7%	8.0%	11.9%	3.9%	10.3%
	MSCAN												
	Total	517	419	500	529	478	476	500	467	399	570	450	469
	Preferred	90.5%	90.5%	90.6%	87.9%	87.5%	87.4%	87.8%	89.3%	88.7%	87.7%	87.8%	88.1%
	Not Preferred	9.5%	9.6%	9.4%	12.1%	12.6%	12.6%	12.2%	10.7%	11.3%	12.3%	12.2%	11.9%
Miscellaneous HYDROXYZINE	**FFS**												
	Total	1966	1797	1357	1928	1670	1520	1630	1621	1791	1232	1528	1634
	Not Reviewed	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
	Preferred	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	98.9%	99.2%	98.7%
	Not Preferred	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%	0.8%	1.4%
	MSCAN												
	Total	1807	1412	1769	1895	1818	1743	1799	1734	1282	1498	1353	1792
	Not Reviewed	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
	Preferred	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	70.9%	72.9%	69.8%
	Not Preferred	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	29.1%	27.1%	30.3%

NOTE: Table only shows example of information to be reported. UPDL was not in place during period reported. Higher non-preferred use in MSCAN is to be expected.

There are always medical exceptions that warrant the approval of non-preferred drugs; therefore, a small percentage of non-preferred product use is to be expected in each category. The goals of this report will be (1) to identify significant differences that exist between the plans with respect to non-preferred product use in each category and (2) to identify significant changes in non-preferred product use across all plans.

Differences that are detected between plans will be further examined to identify the specific products and conditions related to the increased use of non-preferred products and this information will be shared with the appropriate plan for further investigation by them as to any problems that may be occurring in how the UPDL is being implemented.

Significant changes, especially increases, in the overall use of non-preferred products will be examined to determine if recommendations for changes in the UPDL are warranted.

BOARD ACTION REQUESTED:

Recommendation: MS-DUR recommends that an analysis of the UPDL compliance and issues identified in this analysis be reported to the DUR Board at its quarterly meetings for review and suggestions regarding the UPDL.

Input: MS-DUR and DOM request any suggestions or input from the Board on what information and the level of detail that would make the UPDL Compliance with Preferred Drugs report most useful to the Board.

Evaluation of PA Procedures Related to Non-Preferred Drug Use in FFS Plan

MS-DUR will prepare monthly reports for DOM to identify potential problems that may exist in the PA process being used to approve non-preferred drug use. This new report will provide DOM an effective way to monitor the PA process when changes are made in the UPDL and to identify potential problems in the PFS plan.

Use of non-preferred drugs required approval through the PA process. PA criteria are specified in the UPDL for when non-preferred drugs will be approved for coverage. When the therapeutic category is included in the electronic PA process (SmartPA) and the specified criteria can be determined from electronic records, a PA is assigned and approved by SmartPA during the on-line adjudication process. When the category is not included in the electronic PA process or the criteria cannot be confirmed through electronic records, the prescription request is denied during on-line adjudication and a PA must be manually submitted by the provider through Web Portal or by fax.

MS-DUR will conduct an analysis each month to determine how PAs were approved for non-preferred drugs in each UPDL category. The table below is a draft of how this information will be reported to DOM each month.

TABLE 2: PA ANALYSIS FOR NON-PREFERRED DRUGS USED IN FFS PLAN
July 2013 - June 2014
(FOR EXAMPLE ONLY - SEE NOTES BELOW)

		MONTH											
Therapeutic Class / Plan		2013-07	2013-08	2013-09	2013-10	2013-11	2013-12	2014-01	2014-02	2014-03	2014-04	2014-05	2014-06
Miscellaneous SUBOXONE	FFS												
	Total	7	5	5	10	8	7	6	3	4	5	2	7
	No PA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	SmartPA	71.4%	60.0%	60.0%	50.0%	75.0%	71.4%	50.0%	66.7%	75.0%	80.0%	0.0%	42.9%
	Manual PA	28.6%	40.0%	40.0%	50.0%	25.0%	28.6%	50.0%	33.3%	25.0%	20.0%	100.0%	57.1%
Miscellaneous HYDROXYZINE	FFS												
	Total	0	0	0	0	0	0	0	0	0	13	12	22
	No PA	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
	SmartPA	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
	Manual PA	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%

These internal reports to DOM for the FFS plan will help identify potential PA process problems in the following ways.

- Since all non-preferred products require a PA to be used, any use of non-preferred products without a PA will indicate system problems that need to be addressed.
- When an unusually high use of non-preferred products occurs in a reviewed class, the source of PAs can help determine the source of the problem. High rates of approval by the electronic PA may indicate coding problems; while high rates of approval by manual PA may indicate inappropriate application of criteria and the need for training.
- When a class is included in electronic PA and a high percentage of PA approvals are being done manually, this may indicate a need to change the PA criteria.

BOARD ACTION REQUESTED:

Input: Information about the PA Analysis is being presented to the Board for information only. MS-DUR and DOM request any suggestions or input from the Board on issues related to the PA process that MS-DUR should examine and report to DOM monthly.