

**Meeting of the
PDL/PA Implementation Advisory Committee
600 East Broad Street, Suite 1300
Richmond, Virginia**

September 11, 2003

Minutes

Present:

Cindi B. Jones, **Chair**, DMAS
Madeline Abbitt, Generic Manufacturers Association
James Evans, M.D., DMHMRSAS
Sheryl Garland, Virginia Hospital & Healthcare Association
Jill Hanken, Virginia Poverty Law Center
J.E. (Hill) Hopper, R.Ph., Virginia Health Care Association
Mike Jurgensen, Medical Society of Virginia
Anne Leigh Kerr, PhRMA
David Markowitz, Psychiatric Society of Virginia
John Pezzoli, Virginia Association of Community Services Boards
Matthew Sheffield, Boehringer-Ingelheim
Becky Snead, Virginia Pharmacy Congress
Valeria D. Thomas, Virginia Health Care Association
Susan Umidi, Virginia League of Social Services Executives

DMAS Staff:

Patrick W. Finnerty, DMAS
Cheryl J. Roberts, DMAS
Bryan Tomlinson
Deborah Correll
Adrienne Fegans
Debbie Giffin
Catherine Hancock
Nancy Malczewski
Craig Markva
Maryanne Paccione

Guests:

15 guests were in attendance

Absent: None

Call to Order

Patrick W. Finnerty, Director of the Department of Medical Assistance Services (DMAS), welcomed everyone and thanked the Committee members for their participation to make this effort successful. He noted this is the first meeting of this group and asked everyone to introduce themselves. Cynthia B. Jones, introduced herself as Chair, and called the meeting to order at 1:09 p.m.

Ms. Jones noted that Department of Medical Assistance Services (DMAS) appreciated everyone's involvement and that a smooth transition is desired through education and awareness of providers, manufacturers, and clients.

She noted the Pharmacy & Therapeutics (P&T) Committee members are required to file financial disclosure statements and to recuse themselves if necessary to avoid a conflict of interest. This same policy is being instituted for members of the PDL/PA Implementation Advisory Committee.

Overview of the Virginia Medicaid Pharmacy Program

Bryan Tomlinson, Director of Health Care Services Division, presented information regarding the major transformation to the Virginia Medicaid Pharmacy Program not just the Preferred Drug List (PDL). He began with the restructuring in the Pharmacy Division with professional staffing to operate the pharmacy program.

Mr. Tomlinson noted even though cost containment is a factor, there are major quality issues—drug utilization reviews (prospectively and retrospectively) and “threshold prior authorization (PA)” for patient safety—drug interactions that may be adverse, and other quality enhancements, etc. He noted DMAS’ voluntary approach of extensive use of expert panels with a broad spectrum-group in decision-making and as a sounding board for changes rather than other states that just use the regulatory approach.

Finally, Mr. Tomlinson noted that DMAS is using the best practices currently available, focusing on quality and patient safety.

Preferred Drug List Update

Ms. Cynthia Jones, DMAS Chief Deputy Director and Committee Chair, gave the update on the development of a Medicaid Preferred Drug List (PDL) program. The PDL program is required by the 2003 Appropriations Act to be implemented no later than January 2004. Ms. Jones noted that even though a significant number of people moved from Fee-For-Service into Medicaid Managed Care, the pharmacy costs have continued to significantly increase. The General Assembly took the money out of DMAS’ budget; therefore, DMAS is required to get the net savings needed; \$9 million in fiscal year 2004, and \$18 million the following years.

The P&T Committee will make recommendations for the drug exclusions. She noted the actions taken to date; including the 13 drug classes determined PDL eligible for the January deadline. However, a total of 99 classes are open to consideration. Drugs not on the PDL will have to go through the prior authorization process. She noted the enrollment groups identified to be excluded, such as third party liability enrollees.

DMAS staff continues to meet with more than 30 groups (repeatedly) to receive input into the development of the program. DMAS continues to inform the public by putting everything on its website www.dmas.state.va.us and also receives numerous comments at pdlinput@dmas.state.va.us, which are given to the P&T Committee.

The following meeting dates—week of: October 20, December 10, 2003, and January 26, 2004, are in coordination with the P&T Committee meeting and the timelines necessary for disseminating information.

Discussion occurred. Specific questions raised will be noted separately from the minutes. Even though Committee members’ remarks were being noted, it was suggested that they still address their comments through pdlinput@dmas.state.va.us which is given to the P&T Committee as public comments.

PDL Prior Authorization Process

Carol Perkins, First Health Services (FHS) Clinical Manager, presented a draft of the prior authorization (PA) process. She noted that everything was done in “real time” on the phone—with technicians being able to ask FHS pharmacists questions immediately. FHS phones are staffed 24 hours per day, seven (7) days per week, 365 days per year. Also, the PA can be faxed—with a response within 24-hours.

Ms. Perkins went through the various scenarios. Ms. Perkins noted that DMAS and FHS are still in discussion regarding the handling of certain issues. She noted that if a decision could not be made immediately, perhaps due to the lack of information, the pharmacy can provide a 72-hour supply so the patient would not be without medication.

Ms. Perkins explained the “soft and hard edits” and noted that the phone lines for the PDL will go live on November 1st. Soft edits will occur before the PDL is operational in January—the claims will be paid but the pharmacist and physician will be notified that the prescribed drug is not on the upcoming PDL. Therefore, after January, a PA will have to be processed or another drug prescribed. She stressed this was why the education of the physician, pharmacist, and client are important to ensure a seamless transition.

Ms. Perkins continued with the draft of the appeals process through prior authorization (PA). She noted pro-active authorizations and that the appeals in other states were less than one percent. DMAS has requested that appeals be expedited.

PDL Provider and Consumer Education

Ms. Cheryl Roberts, DMAS Deputy Director of Operations, presented the overview of the Communication Plan for the Virginia Medicaid Preferred Drug List (PDL) program. She noted DMAS’ goals and plans in targeting, and disseminating the information of the upcoming PDL. She focused on “pre”-planning education rather than post, after-the-fact. She noted that DMAS staffed worked daily, almost hourly, with FHS staff in all aspects of the PDL. They also participated in formalizing the communication and education plan to be launched late October 2003.

Using the new Virginia Medicaid Management Information System (MMIS), the top prescribers will be identified and targeted for education about which drugs are placed on the PDL.

Ms. Roberts asked the Committee for their assistance when reviewing the presentation—to note which ideas were ideal and those that should not be considered. Several Committee members noted web cast and video conferencing should not be done. Ms. Roberts asked if the participating Committee members of Associations are willing to put updates in their newsletters to Association members—they were in agreement to assist. She continued with the plan for educating pharmacists and enrollees (with the assistance of advocates or agencies such as Community Services Boards). She noted that the affected population will also have culturally sensitive materials, and that the Call Center, operational in November, also has language line capabilities.

Ms. Roberts noted that PDL updates will be posted on the DMAS web site as soon as available; and that the PDL targeted dates for phase-in are January, April and July 2004. She reiterated that even though this is a cost savings initiative, it is also a quality of care issue. She asked the Committee Members to send her any questions and let her know on which issue they would like to review, such as flyers, brochures, mass mailings, no later than Friday, September 19, 2003.

Adjournment

Ms. Jones noted an e-mail will be sent to the Committee members to schedule the next meeting for the week of October 20. The date that best suits most members will be picked. If a Committee member cannot attend, they may send an alternate, but to notify DMAS staff who will represent their association. Ms. Jones also noted that the minutes from the P&T Committee would be sent to the PDL/PA Implementation Advisory Committee.