

Oklahoma Health Care Authority

Here When It Counts

Pharmacy Benefit Overview

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Board Retreat 2012

www.okhca.org



Comparison 2011 to 2012

<u>FY 2011</u>	<u>FY 2012</u>	<u>% Change</u>
\$359 million	\$394 million	10%
5.9 million Rx	6.3 million Rx	7%
720,000 elig/mo	751,000 elig/mo	4%
203,000 user/mo	211,000 user/mo	4%
\$60/rx	\$63/rx	5%
\$271/brand rx	\$318/brand rx	17%
2.4 rx/user/mo	2.5 rx/user/mo	4%
\$42 PMPM	\$44 PMPM	5%
84% generic	87% generic	3%

New Generics!

- Zyprexa – was \$39/tab now 0.85 (Oct 11)
- Lipitor – was \$6/tab now 0.44 (Nov 11)
- Seroquel – was \$19.50/tab now 0.81 (Mar 12)
- Plavix – was \$6.80/tab now 0.78 (May 12)
- Singulair – was \$5.50/tab now 0.85 (Aug 12)

Pharmacy Prior Authorizations

- Between 9,000 – 10,000 each month
- Claims processing tools for automated PA
 - Step therapy edit
 - DUR Plus
- PA process acts as education for appropriate use of the drug
- May be possible to remove the PA when appropriate use is achieved

Utilization Control Tools

- *Quantity limits*
 - For example, 60 tabs/month
- *Early refill limit*
 - 75% of the medication must be used before refill
- *High dose limit*
 - Blanket limit at twice FDA recommended dose
 - Specific limits for some drugs for safety
- *Step therapy*

Utilization Control Tools Specific for Narcotics

- *Ingredient duplication limit*
 - Hydrocodone – different strengths
- *Maximum Rx/Year - hydrocodone*
 - More than 13 requires prior authorization
- *Oncology-only medications*
 - Very powerful narcotics that should not be given to patients who are not tolerant to opiates
- *Lock-In Program*

MEDNET RetroDUR Project

- 6 state project
- Educate/inform
 - Evidence-based prescribing practices
 - Atypical antipsychotic in children
 - Focus on age 5-14 years
 - High dose, diagnosis, poly-pharmacy
- Behavioral Health Advisory Committee
- Good response to first letter

Future Trends

- Specialty and biological products
 - About 12% of brand drug spend
 - Average cost **\$3,712/rx** compared to traditional brand rx at **\$232**
 - Treats chronic disabling diseases like rheumatoid arthritis, MS, hemophilia
- Electronic prescribing – improved use of generics and preferred brands