

**Vermont Health Access  
Pharmacy Benefit Management Program**

**July, August and September 2008**

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**Quarterly Report to  
Health Access Oversight  
Committee**

**Q1 SFY 2009**

**Cynthia D. LaWare, Secretary**  
Agency of Human Service

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Office of Vermont Health Access

# Pharmacy Benefit Management Program Quarterly Report

July, August and September 2008

The Agency of Human Services, Office of Vermont Health Access (OVHA), is pleased to provide the quarterly report to the Health Access Oversight Committee as required by Act 127 approved in 2002 and found in 33 V.S.A. Chapter 19 § 2001. This report covers the activities of the Pharmacy Benefits Manager (PBM) for the first quarter of State Fiscal Year 2009.

The three requirements are set out in bold italics. The OVHA's response follows each requirement.

***§2001 (c) (1) "The director of the office of Vermont health access shall report quarterly to the health access oversight committee concerning the following aspects of the pharmacy best practices and cost control program:***

***(1) the efforts undertaken to educate health care providers about the preferred drug list and the program's utilization review procedures;"***

During this quarter, the following educational mailings were sent to pharmacy and/or prescribing providers:

- **August 4, 2008:** Pharmacy Alert – Notification of change in processing rules for early refills of prescriptions.
- **August 11, 2008:** Notices to prescribers and pharmacies regarding Phase II of the federal Medicaid law on Tamper-Resistant Prescription Drug Pads. Phase II went into effect October 1, 2008.
- **September 16, 2008:** Pharmacy Alert – Notification of change in processing rules for billing prescription Part B coinsurance and deductible claims.

In addition, revised Preferred Drug Lists and Clinical Criteria manuals were posted to the OVHA pharmacy website for July, August and September 2008.

In an attempt to make all documents available to interested parties, the department maintains a web page with information related to the Pharmacy Benefits Management Program at:

<http://ovha.vermont.gov/for-providers>.

“(2) the number of prior authorization requests made;”

<b>Clinical Prior Authorization Requests</b>					
	<b>Requests</b>	<b>Approved</b>	<b>Change in Therapy</b>	<b>Denied</b>	<b>Fair Hearing Status</b>
July	1,554	1,193	139	222	0
August	1,563	1,157	122	284	0
September	1,523	1,142	81	300	2 pending; 1 withdrawn
<b>Total</b>	<b>4,640</b>	<b>3,492</b>	<b>342</b>	<b>806</b>	

<b>Quantity Limit Prior Authorization Requests</b>					
	<b>Requests</b>	<b>Approved</b>	<b>Change in Therapy</b>	<b>Denied</b>	<b>Fair Hearing Status</b>
July	175	146	17	12	0
August	139	108	15	16	0
September	155	122	15	18	0
<b>Total</b>	<b>469</b>	<b>376</b>	<b>47</b>	<b>46</b>	<b>0</b>

<b>Combined Clinical and Quantity Limit Prior Authorization Requests</b>					
	<b>Requests</b>	<b>Approved</b>	<b>Change in Therapy</b>	<b>Denied</b>	<b>Fair Hearing Status</b>
July	1,729	1,339	156	234	0
August	1,702	1,265	137	300	0
September	1,678	1,264	96	318	2 pending; 1 withdrawn
<b>Total</b>	<b>5,109</b>	<b>3,868</b>	<b>389</b>	<b>852</b>	

Data in the table above show that the OVHA received a total of 4,690 requests for **clinical prior authorizations (PA)** during the first quarter of State Fiscal Year 2009 (July, August and September 2008). This represents a 10.2% increase in the total number of clinical prior authorization received during the previous quarter (4,211), and a 10.3% increase from one year ago, Q1 SFY 2008, when total clinical PA requests were 4,206. Calendar year-to-date monthly mean for clinical prior authorizations was 1,492 as of September 30, 2008; 1,435 as of September 30, 2007; and 1,664 as of September 30, 2006.

OVHA received a total of 469 requests for **quantity limit prior authorizations** during the first quarter of State Fiscal Year 2009 (July, August and September 2008), a 27.1% increase in the total number of quantity limit prior authorization requests received during the previous quarter (369). This is the fourth quarter that the OVHA has reported quantity limit prior authorization (PA) requests, so a year-to-year comparison is not available.

*“(3) the number of utilization review events (other than prior authorization requests).”*

	<b>July</b>	<b>August</b>	<b>September</b>	<b>Q1</b>	<b>Percentage of Total</b>
Drug-Age Precaution	24	9	30	63	0.02%
Drug-Disease Precaution	3,432	3,374	3,393	10,199	3.38%
Drug-Drug Interaction	34,525	22,242	23,255	80,022	26.55%
Ingredient Duplication	9,196	8,356	8,830	26,382	8.75%
Refill Too Soon	3,983	3,785	3,711	11,479	3.81%
Therapeutic Duplication	60,933	55,254	57,085	173,272	57.49%
<b>Total</b>	<b>112,093</b>	<b>93,020</b>	<b>96,304</b>	<b>301,417</b>	<b>100.00%</b>

During the first quarter of SFY 2009, a total of 301,417 utilization events occurred. This was a 7.41% increase from the previous quarter, in which a total of 280,630 utilization review events occurred. Below is a comparison of the utilization review events for the fourth quarter of SFY 2008 and first quarter of SFY 2009.

	<b>Q1 SFY 09</b>	<b>Q4 SFY 08</b>	<b>Percent Change:</b>
Drug-Age Precaution	63	87	-27.59%
Drug-Disease Precaution	10,199	9,209	10.75%
Drug-Drug Interaction	80,022	65,666	21.86%
Ingredient Duplication	26,382	25,029	5.41%
Refill Too Soon	11,479	11,233	2.19%
Therapeutic Duplication	173,272	169,406	2.28%
<b>Total</b>	<b>301,417</b>	<b>280,630</b>	<b>7.41%</b>