



6/15/2004

## Office of Vermont Health Access Pharmacy Benefit Management Program

### *Prescriber Updates and Clarifications*

The following are updates and clarifications to the Pharmacy Benefit Management (PBM) Program:

<b>Topic</b>	<b>Message</b>
<b>Update on the PBM Program</b>	Since the PBM Program was implemented, real progress has been made through your efforts. The <u>rate of growth in pharmacy expenditures for our programs was 8.17% between state fiscal year 2002 and 2003 as compared to national growth reported at 17%.</u> It is anticipated that spending on managed drugs was <u>reduced \$7.5 million</u> between calendar year 2002 and 2003. Our programs have seen a <u>significant increase in the use of generics</u> , from 47.9% in the federal fiscal year ending with September 2002 to <u>53.6%</u> by December 2003. These are a tribute to all of you in your support of the program.
<b>Preferred Drug List and Drugs that Require PA</b>	This list has been updated with all changes through the May DUR Board meeting. It is posted on the web and can be reached through the link on <a href="http://www.path.state.vt.us">www.path.state.vt.us</a> .
<b>National Multi-State Pooling Initiative (NMPI)</b>	In April the <u>federal government approved this concept to allow multiple states to pool their covered Medicaid lives to negotiate rebates with drug manufacturers on expensive drugs.</u> Vermont, Michigan, Nevada, Alaska, and New Hampshire are the first members of this pool and already other states have requested approval to participate. This pool will make it possible for Vermont to offer, without restrictions, clinically appropriate drugs in high-cost drug classes by using rebates to offset costs.
<b>NMPI Preferred Drug List Changes</b>	On May 19 <sup>th</sup> , the DUR Board reviewed the changes to the PDL that were approved last summer in anticipation of the federal decision on the NMPI. See the attached grid for July and August specific drug implementation dates. Note that <u>only one drug is not grandfathered, Fosamax.</u> Around July 1, we will identify Fosamax patients based on drug history and provide prescribers with lists of their patients. If you are identified as a Fosamax prescriber, <u>you will be asked to consider alternatives</u> for the patient's needs or request a PA before the August 1 change.
<b>Next Steps in the NMPI</b>	In May NMPI <u>manufacturers were presented with the opportunity to negotiate their existing agreements.</u> Other manufacturers were given the option of offering an agreement. Responses will be reviewed in June and July and options will be discussed in the August DUR Board meeting. <u>As prescribers, you are encouraged to review classes.</u> If you believe that

	changes to the PDL classes should be made, <u>provide us with the clinical reasons</u> . Submit them to <a href="mailto:OVHAContact@path.state.vt.us">OVHAContact@path.state.vt.us</a> or to OVHA/PDL Changes, 103 South Main St., Waterbury, VT 05671-1201
<b>Process for Coverage of New Drugs in the Market</b>	<u>New drugs will not be available for the first 6 months after FDA drug approval. In that time a physician may submit a PA for the new drug if it is believed to be essential therapy. After 6 months, a DUR Board review will determine PDL status and/or the need for clinical criteria.</u>  Exceptions = Cancer and HIV medications
<b>Recent Clinical Changes</b> Onychomycosis Antifungals	Lamisil®, Sporanox® and Penlac® require PA. Effective 03/04.
Oral Fluoroquinolones	Avelox®, Cipro®, Factive®, Floxin®, Levaquin®, Noroxin® and Tequin® are preferred agents with quantity limits. Effective 3/04.
Zorbitive®	Requires PA with specific clinical criteria for use with specialized TPN and gastroenterologist prescription. Effective 5/04.
Biotech therapies for Plaque Psoriasis	Amevive®, Raptiva® and Enbrel® require PA with specific clinical criteria and dermatologist prescription. Effective 5/04.
Nutritional Supplements	PA form is available at <a href="http://www.path.state.vt.us/districts/ovha/ovha49.htm">www.path.state.vt.us/districts/ovha/ovha49.htm</a> for nutritionals taken by mouth.
<b>Retrospective Drug Utilization Review (RetroDUR)</b>	For a detailed explanation of the RetroDUR program process, please see <a href="http://www.path.state.vt.us/districts/ovha/ovha48.htm">www.path.state.vt.us/districts/ovha/ovha48.htm</a> . <u>Under this prescribers may receive letters with patient profiles directed at the review of a specific drug therapy topic selected by the DUR Board. Your cooperation in this process is appreciated.</u>