

OKLAHOMA HEALTH CARE AUTHORITY  
REGULARLY SCHEDULED BOARD MEETING  
November 12, 2015 at 1:00 P.M.  
Non-Profit Center  
114 S. Independence  
Enid, OK

**AGENDA**

**Items to be presented by Ed McFall, Chairman**

1. Call to Order / Determination of Quorum
2. Action Item – Approval of the Approval of October 8, 2015 OHCA Board Meeting Minutes

**Item to be presented by Nico Gomez, Chief Executive Officer**

3. Discussion Item – Chief Executive Officer’s Report
  - a) Financial Update – Carrie Evans, Chief Financial Officer
  - b) Medicaid Director’s Update – Garth Splinter, State Medicaid Director
  - c) Proposed OHCA 2016 Board Meeting Dates and Locations
  - d) Budget Update – Nico Gomez, Chief Executive Officer
  - e) ABD Care Coordination Update – Buffy Heater, Chief Strategy Officer

**Item to be presented by Melinda Snowden, Community Relations Coordinator**

4. Discussion Item – Community Partnerships

**Item to be presented by Nancy Nesser, Pharmacy Director**

5. Discussion Item – Pharmacy Benefit Overview

**Item to be presented by Nicole Nantois, Chief of Legal Services**

6. Announcements of Conflicts of Interest Panel Recommendations for All Action Items Regarding This Board Meeting.

**Item to be presented by Nancy Nesser, Pharmacy Director**

7. Action Item - Consideration and Vote Regarding Recommendations Made by the Drug Utilization Review Board Under 63 Oklahoma Statutes 5030.3.
  - a) Consideration and vote to add Tykerb® (Lapatinib), Halaven® (Eribulin), Ixempra® (Ixabepilone), Kadcyla® (Ado-Trastuzumab), Afinitor® (Everolimus), & Perjeta® (Pertuzumab) to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).

b) Consideration and vote to add **Orkambi™ (Lumacaftor/Ivacaftor)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).

c) Consideration and vote to add **Savaysa® (Edoxaban)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).

d) Consideration and vote to add **Epanova® (Omega-3-Carboxylic Acids), Praluent® (Alirocumab), & Repatha™ (Evolocumab)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).

**Item to be presented by Ed McFall, Chairman**

8. Discussion Item – Proposed Executive Session as Recommended by the Chief of Legal Services and Authorized by the Open Meetings Act, 25 Oklahoma Statutes § 307(B) (1), (4), (7) and (9).

a) CEO Evaluation

9. New Business

10. Board Member Facility Tour

11. ADJOURNMENT

NEXT BOARD MEETING  
December 10, 2015  
Oklahoma Health Care Authority  
Charles Ed McFall Boardroom  
4345 N. Lincoln Blvd.  
Oklahoma City, OK

MINUTES OF A REGULARLY SCHEDULED BOARD MEETING  
OF THE HEALTH CARE AUTHORITY BOARD  
October 8, 2015  
Held at the Duncan Regional Hospital  
Duncan, Oklahoma

Manner and Time of Notice of Meeting: A statutorily required public meeting notice was placed on the front door of the Oklahoma Health Care Authority on October 7, 2015 at 10:30 a.m. Advance public meeting notice was provided to the Oklahoma Secretary of State. In addition to the posting of the statutory public notice, the agency placed its agenda on its website on October 7, 2015 at 10:26 a.m.

Pursuant to a roll call of the members, a quorum was declared to be present, and Chairman McFall called the meeting to order at 1:03 p.m.

BOARD MEMBERS PRESENT: Chairman McFall, Member Robison, Member McVay, Member Case

BOARD MEMBERS ABSENT: Vice-Chairman Armstrong, Member Bryant, Member Nuttle

OTHERS PRESENT: OTHERS PRESENT:

**DISCUSSION AND POSSIBLE VOTE ON APPROVAL OF BOARD MINUTES OF THE REGULARLY SCHEDULED BOARD MEETING HELD SEPTEMBER 10, 2015.**

The Board routinely reviews and approves a synopsis of all its meetings. The full-length recordings of the meetings of the Board are retained at the Board Offices and may be reviewed upon written request.

MOTION: Member Case moved for approval of the September 10, 2015 board meeting minutes as published. The motion was seconded by Member Robison.

FOR THE MOTION: Chairman McFall, Member McVay

ABSENT: Vice-Chairman Armstrong, Member Bryant, Member Nuttle

**NICO GOMEZ, CHIEF EXECUTIVE OFFICER'S REPORT**

Mr. Gomez thanked Member Case and Duncan Regional Hospital for hosting the board meeting in Duncan, Oklahoma.

**ITEM 3a / FINANCIAL UPDATE**

Carrie Evans, Chief Financial Officer

Ms. Evans reported on the final financial transactions for SFY16 through August and noted that we are under budget by \$2.4 million state dollars. We are under budget in program spending by \$2.9 million state dollars and \$0.7 million in administration. We are under budget in Drug Rebate with \$1.2 million and Taxes and Fees with \$0.5, but that is normal for this time of year and we expect that those numbers will be positive in the next quarter. Ms. Evans predicted that OHCA will be under budget in program expenditures for September. For more detailed information, see Item 3a in the board packet.

**ITEM 3b / MEDICAID DIRECTOR'S UPDATE**

Garth Splinter, State Medicaid Director

Dr. Splinter provided an update for August data that included a report on the number of enrollees in different areas of the Medicaid program. He discussed the charts provided for per member per month cost by group. Chad Sickler presented the Electronic Health Records (EHR) Incentive statistics. For more detailed information, see Item 3b in the board packet.

**ITEM 4 / STATE FISCAL YEAR 2017 BUDGET REQUEST**

Vickie Kersey, Director, Fiscal Planning and Procurement

Ms. Kersey provided a brief overview of the agency state fiscal year 2017 budget request. Vickie noted that this is our request for additional state funds beyond our base of \$971 million dollars and for the budget year that will begin July 1, 2016. She stated that the provided document is a draft because it will change as we get more solid information and as we move through the current fiscal year. The provided request contains only those items that are required to maintain the program at its current level. Ms. Kersey discussed the budget request detail by annualizations, maintenance and one-time funding. She stated that the current budget need, to maintain at the current level, is \$79.9 million in new state funding and \$104.2 million total dollars. For more detailed information, see Item 4 in the board packet.

Mr. Gomez stated that state leadership has been very direct and honest that they do not believe there will be state dollars available to increase any budget anywhere. This leaves the agency with some very difficult decisions ahead to try and balance our budget. He said that we just learned last week the final estimate of what our federal matching rate will be and it was more than double our initial estimate. Mr. Gomez said that over the last two years, we have cut more than \$280 million dollars out of the program (both program and administrative) and we have cut around the edges all that we can and that any large cuts at this point are unfortunately going to be on the provider rate scale. He said that at the December board meeting, he will ask the board to consider an across the board provider rate cut and expects to have that number in November. He said that we will go through the public process with processing the feedback and input and bring forth a recommendation to the board in December. He said if we are going to be in a cut situation, he would like to start this action in January and be proactive as possible and try to stretch the cut over 18 months instead of over 12 months. It will allow the agency to cut less percentage over a longer period of time as opposed to a deeper cut over a shorter period of time. He stated that we do not know if we will have a current year revenue failure, and will not know until last quarter. If the agency does this, it does not hold us harmless from additional cuts once the legislature finalizes the budget. Mr. Gomez noted that this is not a recommendation that the agency wants to make or consider, but this is our reality.

Chairman McFall stated that he and Mr. Gomez have had numerous discussions with the legislative leadership regarding the budget and it was determined that if the agency can make the cuts beginning January, it would be a better situation than to make cuts over a 10 or 12 month period.

#### **ITEM 5 / DRUG UTILIZATION REVIEW AND THE PRIOR AUTHORIZATION PROCESS**

Burl Beasley, Clinical Pharmacist

Mr. Beasley gave a brief overview of the prior authorization (PA) process which included a SoonerCare pharmacy overview, types of action items (scope controls, utilization controls and product based controls), drugs that require a PA and tier structure. He also discussed SoonerCare pharmacy trends, per member per month data, program results and gave a utilization summary. For more detailed information, see Item 5 in the board packet.

#### **ITEM 6 / ANNOUNCEMENTS OF CONFLICTS OF INTEREST PANEL RECOMMENDATIONS FOR ALL ACTION ITEMS**

Nicole Nantois, Chief of Legal Services

There were no recommendations regarding conflicts.

#### **ITEM 7 / CONSIDERATION AND VOTE REGARDING RECOMMENDATIONS MADE BY THE DRUG UTILIZATION REVIEW BOARD UNDER 63 OKLAHOMA STATUTES §5030.3.**

Burl Beasley, Clinical Pharmacist

- a) Consideration and vote to add **Sitavig® (Acyclovir Buccal Tablets), Rasuvo® (Methotrexate Injection), Otrexup™ (Methotrexate Injection), Onmel® (Itraconazole Oral Tablets), and Purixan® (Mercaptopurine Oral Suspension)**, to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).
- b) Consideration and vote to add **Namzaric™ (Memantine Extended-Release/Donepezil)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).
- c) Consideration and vote to add **Corlanor® (Ivabradine)** to the utilization and scope prior authorization program under OAC 317:30-5-77.2(e).

**MOTION:**

Member Case moved for approval of Item 7a-c as published. The motion was seconded by Member McVay.

**FOR THE MOTION:**

Chairman McFall, Member Robison

ABSENT: Vice-Chairman Armstrong, Member Bryant, Member Nuttle

**ITEM 8 / PROPOSED EXECUTIVE SESSION AS RECOMMENDED BY THE CHIEF OF LEGAL SERVICES AND AUTHORIZED BY THE OPEN MEETINGS ACT, 25 OKLAHOMA STATUTES §307(B) (1), (4), (7) AND (9).**

Nicole Nantois, Chief of Legal Services

Chairman McFall entertained a motion to go into Executive Session at this time.

MOTION: Member Robison moved for approval to go into Executive Session. The motion was seconded by Member McVay.

FOR THE MOTION: Chairman McFall, Member Case

ABSENT: Vice-Chairman Armstrong, Member Bryant, Member Nuttle

8. Discussion Item – Proposed Executive Session as Recommended by the Chief of Legal Services and Authorized by the Open Meetings Act, 25 Oklahoma Statutes § 307(B) (1), (4), (7) and (9).

Audit and Contracting Litigation  
Discussion Regarding Upcoming CEO Evaluation

**ITEM 9 / NEW BUSINESS**

There was no new business.

**ITEM 10 / ADJOURNMENT**

MOTION: Member McVay moved for approval for adjournment. The motion was seconded by Member Case.

FOR THE MOTION: Chairman McFall, Member Robison

ABSENT: Vice-Chairman Armstrong, Member Bryant, Member Nuttle

Meeting adjourned at 2:18 p.m., 10/8/2015

NEXT BOARD MEETING  
November 12, 2015  
Non-Profit Center  
Enid, OK

*Lindsey Bateman*  
*Board Secretary*

Minutes Approved: \_\_\_\_\_

Initials: \_\_\_\_\_



## FINANCIAL REPORT

For the Three Months Ended September 30, 2015  
Submitted to the CEO & Board

- Revenues for OHCA through September, accounting for receivables, were **\$1,050,162,983** or **1.9% under** budget.
- Expenditures for OHCA, accounting for encumbrances, were **\$1,000,486,361** or **2.7% under** budget.
- The state dollar budget variance through September is a **positive \$8,380,104**.
- The budget variance is primarily attributable to the following (in millions):

<b>Expenditures:</b>		
Medicaid Program Variance	7.7	
Administration	.8	
<b>Revenues:</b>		
Drug Rebate	(0.1)	
Taxes and Fees	1.1	
Overpayments/Settlements	(1.1)	
<b>Total FY 15 Variance</b>	<b>\$ 8.4</b>	

### ATTACHMENTS

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Medicaid Program Expenditures by Source of Funds	2
Other State Agencies Medicaid Payments	3
Fund 205: Supplemental Hospital Offset Payment Program Fund	4
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**OKLAHOMA HEALTH CARE AUTHORITY**  
**Summary of Revenues & Expenditures: OHCA**  
**SFY 2016, For the Three Month Period Ending September 30, 2015**

REVENUES	FY16 Budget YTD	FY16 Actual YTD	Variance	% Over/ (Under)
State Appropriations	\$ 246,051,760	\$ 246,051,760	\$ -	0.0%
Federal Funds	600,933,768	583,145,088	(17,788,680)	(3.0)%
Tobacco Tax Collections	11,565,041	12,898,725	1,333,684	11.5%
Quality of Care Collections	19,370,762	18,790,928	(579,834)	(3.0)%
Prior Year Carryover	67,016,727	67,016,727	-	0.0%
Federal Deferral - Interest	76,984	76,984	-	0.0%
Drug Rebates	58,201,931	57,886,900	(315,031)	(0.5)%
Medical Refunds	12,351,771	9,527,709	(2,824,062)	(22.9)%
Supplemental Hospital Offset Payment Program	50,339,095	50,339,095	-	0.0%
Other Revenues	4,108,412	4,429,068	320,656	7.8%
<b>TOTAL REVENUES</b>	<b>\$ 1,070,016,251</b>	<b>\$ 1,050,162,983</b>	<b>\$ (19,853,268)</b>	<b>(1.9)%</b>
EXPENDITURES	FY16 Budget YTD	FY16 Actual YTD	Variance	% (Over)/ Under
<b>ADMINISTRATION - OPERATING</b>	<b>\$ 13,183,322</b>	<b>\$ 12,981,629</b>	<b>\$ 201,693</b>	<b>1.5%</b>
<b>ADMINISTRATION - CONTRACTS</b>	<b>\$ 22,127,738</b>	<b>\$ 20,575,134</b>	<b>\$ 1,552,604</b>	<b>7.0%</b>
<b>MEDICAID PROGRAMS</b>				
<u>Managed Care:</u>				
SoonerCare Choice	10,443,259	9,676,618	766,641	7.3%
<u>Acute Fee for Service Payments:</u>				
Hospital Services	242,467,000	234,260,138	8,206,862	3.4%
Behavioral Health	5,208,605	5,255,802	(47,197)	(0.9)%
Physicians	130,729,712	122,078,940	8,650,772	6.6%
Dentists	34,204,061	35,498,331	(1,294,270)	(3.8)%
Other Practitioners	9,035,668	11,780,508	(2,744,840)	(30.4)%
Home Health Care	5,285,058	5,315,743	(30,686)	(0.6)%
Lab & Radiology	19,936,322	16,835,777	3,100,546	15.6%
Medical Supplies	11,725,981	11,322,910	403,070	3.4%
Ambulatory/Clinics	35,230,410	31,941,501	3,288,909	9.3%
Prescription Drugs	134,882,931	130,072,611	4,810,320	3.6%
OHCA Therapeutic Foster Care	425,912	345,379	80,533	18.9%
<u>Other Payments:</u>				
Nursing Facilities	150,273,400	149,717,512	555,888	0.4%
Intermediate Care Facilities for Individuals with Intellectual Disabilities Private	16,228,721	16,046,252	182,469	1.1%
Medicare Buy-In	33,081,051	33,980,096	(899,045)	(2.7)%
Transportation	18,659,539	17,061,448	1,598,091	8.6%
Money Follows the Person-OHCA	-	140,995	(140,995)	0.0%
Electronic Health Records-Incentive Payments	3,416,737	3,416,737	-	0.0%
Part D Phase-In Contribution	19,816,595	19,833,746	(17,152)	(0.1)%
Supplemental Hospital Offset Payment Program	112,348,555	112,348,555	-	0.0%
<b>Total OHCA Medical Programs</b>	<b>993,399,516</b>	<b>966,929,598</b>	<b>26,469,917</b>	<b>2.7%</b>
OHCA Non-Title XIX Medical Payments	9,158	-	9,158	0.0%
<b>TOTAL OHCA</b>	<b>\$ 1,028,719,734</b>	<b>\$ 1,000,486,361</b>	<b>\$ 28,233,372</b>	<b>2.7%</b>
<b>REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>\$ 41,296,517</b>	<b>\$ 49,676,621</b>	<b>\$ 8,380,104</b>	

**OKLAHOMA HEALTH CARE AUTHORITY**  
**Total Medicaid Program Expenditures**  
**by Source of State Funds**  
**SFY 2016, For the Three Month Period Ending September 30, 2015**

Category of Service	Total	Health Care Authority	Quality of Care Fund	HEEIA	SHOPP Fund	BCC Revolving Fund	Other State Agencies
SoonerCare Choice	\$ 9,711,256	\$ 9,673,567	\$ -	\$ 34,638	\$ -	\$ 3,051	\$ -
Inpatient Acute Care	313,793,601	157,466,498	121,672	1,064,483	83,225,354	486,670	71,428,926
Outpatient Acute Care	99,706,303	75,364,007	10,401	1,055,562	22,465,442	810,891	-
Behavioral Health - Inpatient	12,690,217	3,136,022	-	82,396	6,265,547	-	3,206,253
Behavioral Health - Psychiatrist	2,511,993	2,119,780	-	-	392,213	-	-
Behavioral Health - Outpatient	7,477,674	-	-	-	-	-	7,477,674
Behavioral Health-Health Home	5,257,002	-	-	-	-	-	5,257,002
Behavioral Health Facility- Rehab	61,875,590	-	-	-	-	18,498	61,875,590
Behavioral Health - Case Management	4,800,009	-	-	-	-	-	4,800,009
Behavioral Health - PRTF	21,918,007	-	-	-	-	-	21,918,007
Residential Behavioral Management	5,365,975	-	-	-	-	-	5,365,975
Targeted Case Management	16,845,616	-	-	-	-	-	16,845,616
Therapeutic Foster Care	345,379	345,379	-	-	-	-	-
Physicians	138,131,332	120,634,800	14,525	787,193	-	1,429,615	15,265,198
Dentists	35,499,879	35,494,685	-	1,548	-	3,646	-
Mid Level Practitioners	675,477	671,556	-	3,787	-	134	-
Other Practitioners	11,131,252	10,995,986	111,591	22,434	-	1,240	-
Home Health Care	5,317,184	5,312,795	-	1,441	-	2,948	-
Lab & Radiology	17,212,663	16,747,859	-	376,886	-	87,917	-
Medical Supplies	11,387,901	10,635,046	677,884	64,991	-	9,981	-
Clinic Services	32,481,406	30,058,384	-	174,374	-	44,721	2,203,927
Ambulatory Surgery Centers	1,876,037	1,834,822	-	37,641	-	3,574	-
Personal Care Services	3,471,154	-	-	-	-	-	3,471,154
Nursing Facilities	149,717,512	94,852,140	54,862,258	-	-	3,113	-
Transportation	17,026,481	16,357,293	657,765	-	-	11,423	-
GME/IME/DME	35,215,869	-	-	-	-	-	35,215,869
ICF/IID Private	16,046,252	13,089,088	2,957,164	-	-	-	-
ICF/IID Public	2,523,966	-	-	-	-	-	2,523,966
CMS Payments	53,813,842	53,626,963	186,880	-	-	-	-
Prescription Drugs	132,644,784	129,603,576	-	2,572,173	-	469,035	-
Miscellaneous Medical Payments	34,967	34,813	-	-	-	154	-
Home and Community Based Waiver	52,399,045	-	-	-	-	-	52,399,045
Homeward Bound Waiver	23,229,351	-	-	-	-	-	23,229,351
Money Follows the Person	2,044,954	140,995	-	-	-	-	1,903,960
In-Home Support Waiver	6,913,532	-	-	-	-	-	6,913,532
ADvantage Waiver	48,096,093	-	-	-	-	-	48,096,093
Family Planning/Family Planning Waiver	1,773,758	-	-	-	-	-	1,773,758
Premium Assistance*	11,305,055	-	-	11,305,055	-	-	-
Electronic Health Records Incentive Payments	3,416,737	3,416,737	-	-	-	-	-
<b>Total Medicaid Expenditures</b>	<b>\$ 1,375,685,102</b>	<b>\$ 791,612,789</b>	<b>\$ 59,600,140</b>	<b>\$ 17,584,601</b>	<b>\$ 112,348,556</b>	<b>\$ 3,386,612</b>	<b>\$ 391,170,902</b>

\* Includes \$11,227,399 paid out of Fund 245



**OKLAHOMA HEALTH CARE AUTHORITY**  
**Summary of Revenues & Expenditures:**  
**Other State Agencies**  
**SFY 2016, For the Three Month Period Ending September 30, 2015**

<b>REVENUE</b>	<b>FY16</b>	
	<b>Actual YTD</b>	
Revenues from Other State Agencies	\$	160,987,569
Federal Funds		242,916,151
<b>TOTAL REVENUES</b>	<b>\$</b>	<b>403,903,720</b>
<b>EXPENDITURES</b>	<b>Actual YTD</b>	
<b>Department of Human Services</b>		
Home and Community Based Waiver	\$ 52,399,045	\$ 52,399,045
Money Follows the Person	1,903,960	1,903,960
Homeward Bound Waiver	23,229,351	23,229,351
In-Home Support Waivers	6,913,532	6,913,532
ADvantage Waiver	48,096,093	48,096,093
Intermediate Care Facilities for Individuals with Intellectual Disabilities Public	2,523,966	2,523,966
Personal Care	3,471,154	3,471,154
Residential Behavioral Management	4,138,365	4,138,365
Targeted Case Management	13,906,012	13,906,012
<b>Total Department of Human Services</b>	<b>156,581,476</b>	<b>156,581,476</b>
<b>State Employees Physician Payment</b>		
Physician Payments	15,427,209	15,427,209
<b>Total State Employees Physician Payment</b>	<b>15,427,209</b>	<b>15,427,209</b>
<b>Education Payments</b>		
Graduate Medical Education	2,003,058	2,003,058
Graduate Medical Education - Physicians Manpower Training Commission	964,495	964,495
Indirect Medical Education	32,248,316	32,248,316
Direct Medical Education	-	-
<b>Total Education Payments</b>	<b>35,215,869</b>	<b>35,215,869</b>
<b>Office of Juvenile Affairs</b>		
Targeted Case Management	812,381	812,381
Residential Behavioral Management	1,227,610	1,227,610
<b>Total Office of Juvenile Affairs</b>	<b>2,039,991</b>	<b>2,039,991</b>
<b>Department of Mental Health</b>		
Case Management	4,800,009	4,800,009
Inpatient Psychiatric Free-standing	3,206,253	3,206,253
Outpatient	7,477,674	7,477,674
Health Homes	4,701,981	4,701,981
Psychiatric Residential Treatment Facility	21,918,007	21,918,007
Rehabilitation Centers	61,880,509	61,880,509
<b>Total Department of Mental Health</b>	<b>103,984,432</b>	<b>103,984,432</b>
<b>State Department of Health</b>		
Children's First	414,276	414,276
Sooner Start	543,237	543,237
Early Intervention	1,332,428	1,332,428
Early and Periodic Screening, Diagnosis, and Treatment Clinic	466,851	466,851
Family Planning	(6,826)	(6,826)
Family Planning Waiver	1,518,667	1,518,667
Maternity Clinic	2,812	2,812
<b>Total Department of Health</b>	<b>4,271,445</b>	<b>4,271,445</b>
<b>County Health Departments</b>		
EPSDT Clinic	174,760	174,760
Family Planning Waiver	2,088	2,088
<b>Total County Health Departments</b>	<b>176,848</b>	<b>176,848</b>
<b>State Department of Education</b>	<b>47,722</b>	<b>47,722</b>
<b>Public Schools</b>	<b>276,998</b>	<b>276,998</b>
<b>Medicare DRG Limit</b>	<b>70,000,000</b>	<b>70,000,000</b>
<b>Native American Tribal Agreements</b>	<b>462,649</b>	<b>462,649</b>
<b>Department of Corrections</b>	<b>423,826</b>	<b>423,826</b>
<b>JD McCarty</b>	<b>1,005,099</b>	<b>1,005,099</b>
<b>Total OSA Medicaid Programs</b>	<b>\$ 389,913,565</b>	<b>\$ 389,913,565</b>
<b>OSA Non-Medicaid Programs</b>	<b>\$ 18,517,104</b>	<b>\$ 18,517,104</b>
<b>Accounts Receivable from OSA</b>		<b>\$ 4,526,950</b>

**OKLAHOMA HEALTH CARE AUTHORITY**  
**SUMMARY OF REVENUES & EXPENDITURES:**  
Fund 205: Supplemental Hospital Offset Payment Program Fund  
SFY 2016, For the Three Month Period Ending September 30, 2015

REVENUES	FY 16 Revenue
SHOPP Assessment Fee	\$ 50,260,367
Federal Draws	69,993,150
Interest	34,078
Penalties	44,651
State Appropriations	(7,550,000)
<b>TOTAL REVENUES</b>	<b>\$ 112,782,245</b>

EXPENDITURES	Quarter	FY 16 Expenditures
<b>Program Costs:</b>	<b>7/1/15 - 9/30/15</b>	
Hospital - Inpatient Care	83,225,354	\$ 83,225,354
Hospital -Outpatient Care	22,465,442	\$ 22,465,442
Psychiatric Facilities-Inpatient	6,265,547	\$ 6,265,547
Rehabilitation Facilities-Inpatient	392,213	\$ 392,213
<b>Total OHCA Program Costs</b>	<b>112,348,555</b>	<b>\$ 112,348,555</b>
<b>Total Expenditures</b>		<b>\$ 112,348,555</b>

<b>CASH BALANCE</b>	<b>\$ 433,690</b>
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**OKLAHOMA HEALTH CARE AUTHORITY**  
**SUMMARY OF REVENUES & EXPENDITURES:**  
**Fund 230: Nursing Facility Quality of Care Fund**  
**SFY 2016, For the Three Month Period Ending September 30, 2015**

REVENUES	Total Revenue	State Share
Quality of Care Assessment	\$ 18,781,831	\$ 18,781,831
Interest Earned	9,097	9,097
<b>TOTAL REVENUES</b>	<b>\$ 18,790,928</b>	<b>\$ 18,790,928</b>

EXPENDITURES	FY 16 Total \$ YTD	FY 16 State \$ YTD	Total State \$ Cost
<b>Program Costs</b>			
Nursing Facility Rate Adjustment	\$ 53,949,666	\$ 20,339,024	
Eyeglasses and Dentures	71,213	26,847	
Personal Allowance Increase	841,380	317,200	
Coverage for Durable Medical Equipment and Supplies	677,883	255,562	
Coverage of Qualified Medicare Beneficiary	258,189	97,337	
Part D Phase-In	186,880	186,880	
ICF/IID Rate Adjustment	1,359,542	512,547	
Acute Services ICF/IID	1,597,623	602,304	
Non-emergency Transportation - Soonerride	657,765	247,977	
<b>Total Program Costs</b>	<b>\$ 59,600,139</b>	<b>\$ 22,585,679</b>	<b>\$ 22,585,679</b>
<b>Administration</b>			
OHCA Administration Costs	\$ 131,316	\$ 65,658	
DHS-Ombudsmen	-	-	
OSDH-Nursing Facility Inspectors	-	-	
Mike Fine, CPA	-	-	
<b>Total Administration Costs</b>	<b>\$ 131,316</b>	<b>\$ 65,658</b>	<b>\$ 65,658</b>
<b>Total Quality of Care Fee Costs</b>	<b>\$ 59,731,455</b>	<b>\$ 22,651,337</b>	
<b>TOTAL STATE SHARE OF COSTS</b>			<b>\$ 22,651,337</b>

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are transferred to Fund 340 to support the costs, not to exceed the calculated state share amount.

**OKLAHOMA HEALTH CARE AUTHORITY**  
**SUMMARY OF REVENUES & EXPENDITURES:**  
**Fund 245: Health Employee and Economy Improvement Act Revolving Fund**  
**SFY 2016, For the Three Month Period Ending September 30, 2015**

REVENUES	FY 15 Carryover	FY 16 Revenue	Total Revenue
Prior Year Balance	\$ 27,746,235	\$ -	\$ 1,391,011
State Appropriations	(25,000,000)	-	-
Tobacco Tax Collections	-	10,609,149	10,609,149
Interest Income	-	68,492	68,492
Federal Draws	127,814	7,322,412	7,322,412
<b>TOTAL REVENUES</b>	<b>\$ 2,874,049</b>	<b>\$ 18,000,053</b>	<b>\$ 19,391,065</b>

EXPENDITURES	FY 15 Expenditures	FY 16 Expenditures	Total \$ YTD
<b>Program Costs:</b>			
Employer Sponsored Insurance		\$ 11,227,399	\$ 11,227,399
College Students		77,656	27,941
<b>Individual Plan</b>			
SoonerCare Choice		\$ 33,198	\$ 11,945
Inpatient Hospital		1,064,483	383,001
Outpatient Hospital		1,038,891	373,793
BH - Inpatient Services-DRG		80,665	29,023
BH -Psychiatrist		-	-
Physicians		776,305	279,314
Dentists		855	308
Mid Level Practitioner		3,784	1,361
Other Practitioners		22,160	7,973
Home Health		1,441	518
Lab and Radiology		371,718	133,744
Medical Supplies		61,518	22,134
Clinic Services		171,670	61,767
Ambulatory Surgery Center		37,641	13,543
Prescription Drugs		2,528,192	909,643
Miscellaneous Medical		-	-
Premiums Collected		-	(94,995)
<b>Total Individual Plan</b>		<b>\$ 6,192,520</b>	<b>\$ 2,133,073</b>
<b>College Students-Service Costs</b>		<b>\$ 87,026</b>	<b>\$ 31,312</b>
<b>Total OHCA Program Costs</b>		<b>\$ 17,584,601</b>	<b>\$ 13,419,725</b>
<b>Administrative Costs</b>			
Salaries	\$ 73,467	\$ 520,675	\$ 594,142
Operating Costs	60,069	213,429	273,498
Health Dept-Postponing	-	-	-
Contract - HP	1,349,503	911,030	2,260,533
<b>Total Administrative Costs</b>	<b>\$ 1,483,038</b>	<b>\$ 1,645,134</b>	<b>\$ 3,128,172</b>
<b>Total Expenditures</b>			<b>\$ 16,547,897</b>
<b>NET CASH BALANCE</b>	<b>\$ 1,391,011</b>		<b>\$ 2,843,167</b>

**OKLAHOMA HEALTH CARE AUTHORITY  
SUMMARY OF REVENUES & EXPENDITURES:**

**Fund 250: Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund  
SFY 2016, For the Three Month Period Ending September 30, 2015**

<b>REVENUES</b>	<b>FY 16 Revenue</b>	<b>State Share</b>
Tobacco Tax Collections	\$ 211,663	\$ 211,663
<b>TOTAL REVENUES</b>	<b>\$ 211,663</b>	<b>\$ 211,663</b>

<b>EXPENDITURES</b>	<b>FY 16 Total \$ YTD</b>	<b>FY 16 State \$ YTD</b>	<b>Total State \$ Cost</b>
<b>Program Costs</b>			
SoonerCare Choice	\$ 3,051	\$ 805	
Inpatient Hospital	486,670	128,432	
Outpatient Hospital	810,891	213,994	
Inpatient Services-DRG	-	-	
Psychiatrist	-	-	
TFC-OHCA	-	-	
Nursing Facility	3,113	821	
Physicians	1,429,615	377,275	
Dentists	3,646	962	
Mid-level Practitioner	134	35	
Other Practitioners	1,240	327	
Home Health	2,948	778	
Lab & Radiology	87,917	23,201	
Medical Supplies	9,981	2,634	
Clinic Services	44,721	11,802	
Ambulatory Surgery Center	3,574	943	
Prescription Drugs	469,035	123,778	
Transportation	11,423	3,015	
Miscellaneous Medical	154	41	
<b>Total OHCA Program Costs</b>	<b>\$ 3,368,114</b>	<b>\$ 888,845</b>	
<b>OSA DMHSAS Rehab</b>	<b>\$ 18,498</b>	<b>\$ 4,882</b>	
<b>Total Medicaid Program Costs</b>	<b>\$ 3,386,612</b>	<b>\$ 893,727</b>	
<b>TOTAL STATE SHARE OF COSTS</b>			<b>\$ 893,727</b>

Note: Expenditure amounts are for informational purposes only. Actual payments are made from Fund 340. Revenues deposited into the fund are transferred to Fund 340 to support the costs, not to exceed the calculated state share amount.

## OHCA Board Meeting November 12, 2015 (September 2015 Data)

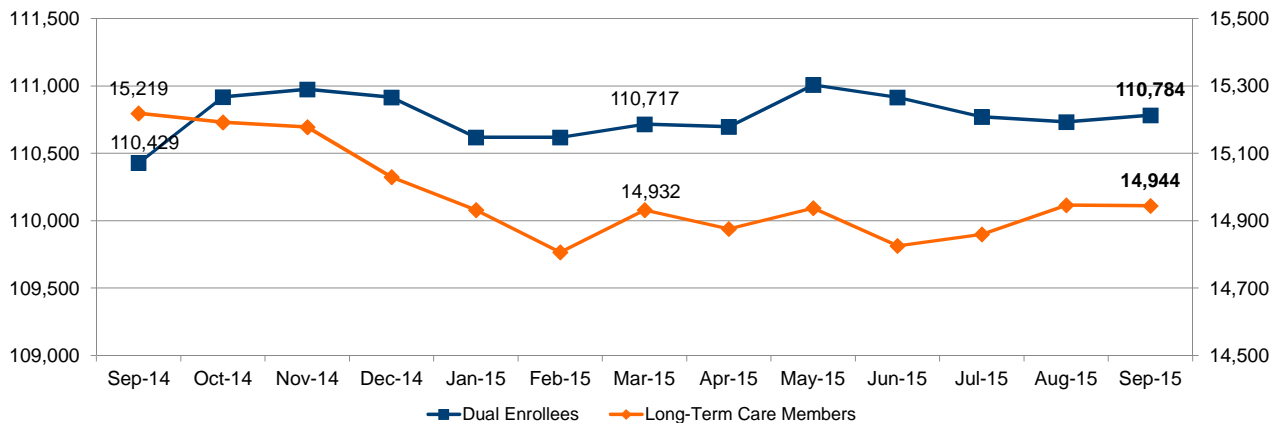
### SOONERCARE ENROLLMENT/EXPENDITURES

Delivery System			Enrollment September 2015	Children September 2015	Adults September 2015	Enrollment Change	Total Expenditures September	PMPM September 2015	Forecasted Sep 2015 Trend PMPM
<b>SoonerCare Choice Patient-Centered Medical Home</b>			<b>540,708</b>	<b>444,368</b>	<b>96,340</b>	<b>-4,394</b>	<b>\$157,171,788</b>		
	Lower Cost	(Children/Parents; Other)	496,457	430,236	66,221	-4,091	\$108,064,149	\$218	\$216
	Higher Cost	(Aged, Blind or Disabled; TEFFRA; BCC & HCBS Waiver)	44,251	14,132	30,119	-303	\$49,107,639	\$1,110	\$956
<b>SoonerCare Traditional</b>			<b>238,083</b>	<b>92,065</b>	<b>146,018</b>	<b>-2,124</b>	<b>\$219,945,503</b>		
	Lower Cost	(Children/Parents; Other)	127,152	87,007	40,145	-2,337	\$62,344,934	\$490	\$391
	Higher Cost	(Aged, Blind or Disabled; TEFFRA; BCC & HCBS Waiver)	110,931	5,058	105,873	213	\$157,600,569	\$1,421	\$1,291
<b>SoonerPlan</b>			<b>40,173</b>	<b>2,998</b>	<b>37,175</b>	<b>-1,636</b>	<b>\$447,575</b>	<b>\$11</b>	<b>\$8</b>
<b>Insure Oklahoma</b>			<b>17,098</b>	<b>477</b>	<b>16,621</b>	<b>-40</b>	<b>\$5,789,245</b>		
	Employer-Sponsored Insurance		13,117	310	12,807	32	\$3,614,036	\$276	\$278
	Individual Plan		3,981	167	3,814	-72	\$2,175,209	\$546	\$483
<b>TOTAL</b>			<b>836,062</b>	<b>539,908</b>	<b>296,154</b>	<b>-8,194</b>	<b>\$383,354,110</b>		

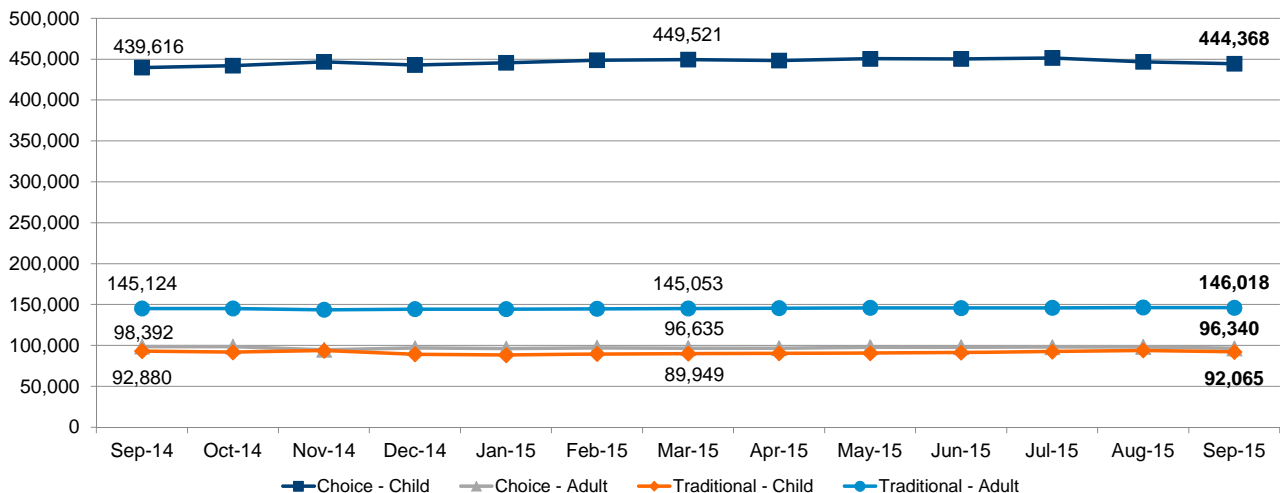
Enrollment totals include all members enrolled during the report month. Members may not have expenditure data. Children are members aged 0 - 20 or for Insure Oklahoma enrolled as Students or Dependents.

Total In-State Providers			(In-State Providers counted multiple times due to multiple locations, programs, types, and specialties)						
Physician	Pharmacy	Dentist	Hospital	Mental Health	Optometrist	Extended Care	Total PCPs	PCMH	
9,646	936	1,203	197	5,230	635	240	6,543	2,478	

### DUAL ENROLLEES & LONG-TERM CARE MEMBERS



### CHILDREN & ADULTS ENROLLMENT



## HEDIS QUALITY MEASURES - COMPREHENSIVE DIABETES CARE (CDC)

The following 3 measures cover the percentage of members 18–75 years of age with diabetes (type 1 and type 2) who had each of the following: 1) Hemoglobin A1c (HbA1c) testing; 2) Eye Exam (retinal); and 3) Medical attention for nephropathy.

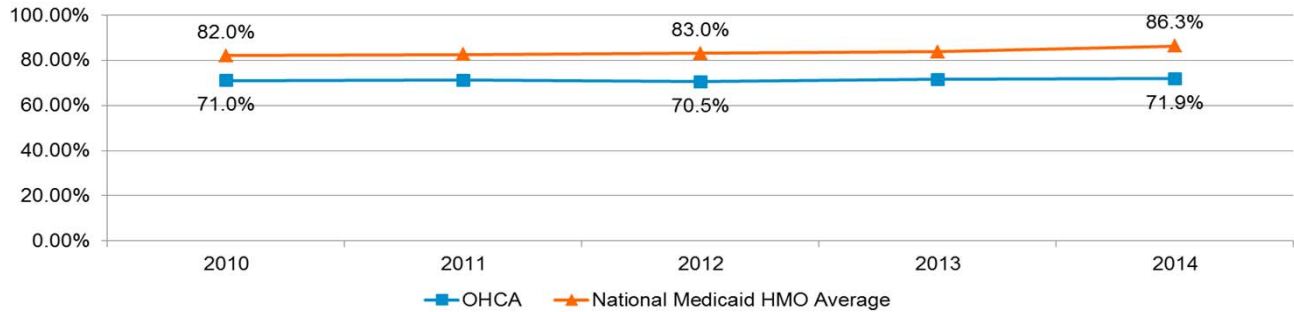
The eligible population was members who were 18-75 years of age during the measurement year and were not enrolled in any Home & Community Based Waiver during the measurement year. Members were continuously enrolled during the measurement period with a gap in enrollment of up to 45 days allowed.

Members with diabetes were identified in one of three ways using claims data for the measurement year and/or the year prior to the measurement year:

- 1) At least two outpatient visits, observation visits or nonacute inpatient encounters on different dates of service, with a diagnosis of diabetes.
- 2) At least one acute inpatient encounter or ED visit with a diagnosis of diabetes.
- 3) At least one pharmacy claim where members were dispensed insulin or hypoglycemics/ antihyperglycemics on an ambulatory basis.

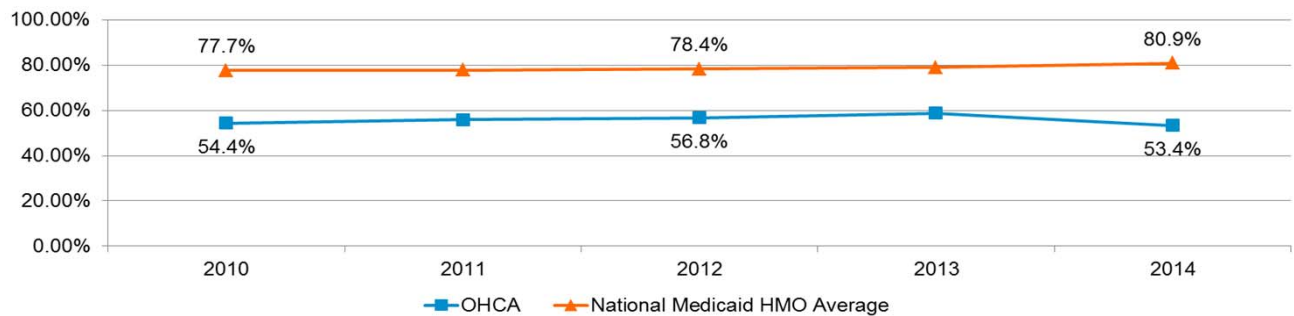
## HEDIS QUALITY MEASURE - CDC - HEMOGLOBIN A1C TESTING

Member of eligible population had at least one HbA1c test performed during the measurement year.



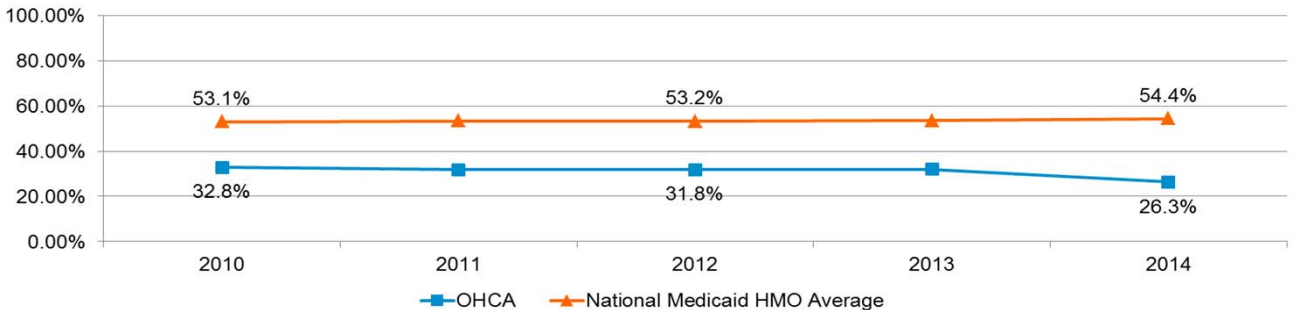
## HEDIS QUALITY MEASURE - CDC - MEDICAL ATTENTION FOR NEPHROPATHY

Member of eligible population had a nephropathy screening test or evidence of nephropathy during the measurement year. This includes diabetics who had one of the following during the measurement year: A nephropathy screening test; Evidence of treatment for nephropathy or ACE/ARB therapy; Evidence of stage 4 chronic kidney disease; Evidence of ESRD; Evidence of kidney transplant; A visit with a nephrologist; or A positive urine macroalbumin test.



## HEDIS QUALITY MEASURE - CDC - EYE EXAM (RETINAL)

Member of eligible population had an eye screening for diabetic retinal disease during the measurement year. This includes diabetics who had one of the following: A retinal or dilated eye exam by an eye care professional (optometrist or ophthalmologist) in the measurement year; or A negative retinal or dilated eye exam (negative for retinopathy) by an eye care professional in the year prior to the measurement year.



# PROPOSED OHCA BOARD MEETINGS/LOCATIONS - 2016

JANUARY						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
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31						

FEBRUARY						
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28	29					

MARCH						
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APRIL						
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MAY						
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JUNE						
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26	27	28	29	30		

**January 14, 2016 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**February 11, 2016 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**March 24, 2016 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**May 12, 2016 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**June 23, 2016 • 1:00 pm**  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma

**August 10, 2016 • Board Meeting • 1:00 pm**  
**August 10, 2015 • SPC • 2:30 pm**  
**August SPC • 11 & 12, 2015 • 8:30 am**  
 TBD

**September 8, 2016 • 1:00 pm**  
 Lawton  
 Location TBD

**October 13, 2016 • 1:00 pm**  
 Duncan  
 Location TBD

**November 10, 2016 • 1:00 pm**  
 Enid  
 Location TBD

**December 8, 2016 • 1:00 pm**  
 Tulsa  
 Location TBD

JULY						
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AUGUST						
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SEPTEMBER						
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OCTOBER						
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30	31					

NOVEMBER						
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DECEMBER						
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31						

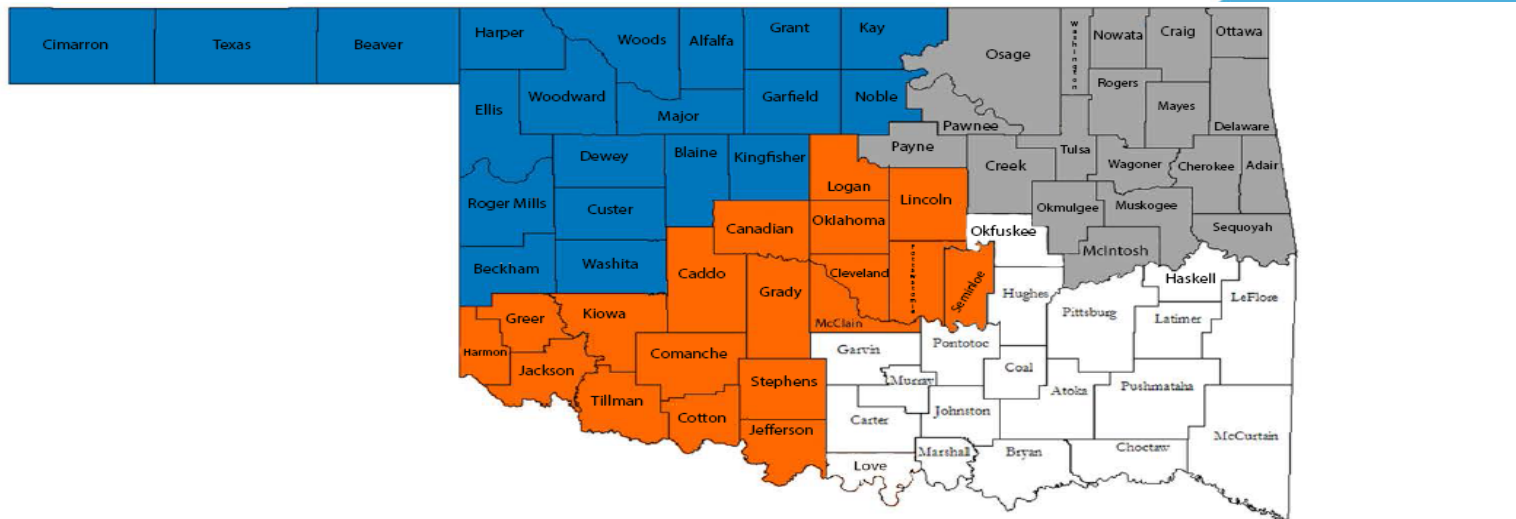
\*Dates in Red are Proposed Board Dates



# Office of Health Promotion

## Northwest Oklahoma

### Health Promotion Strategies



#### Central/SW Region

Corey Burnett  
405-522-7751  
Corey.Burnett@okhca.org

#### NE Region

Shana Netherlain  
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#### SE Region

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#### NW Region

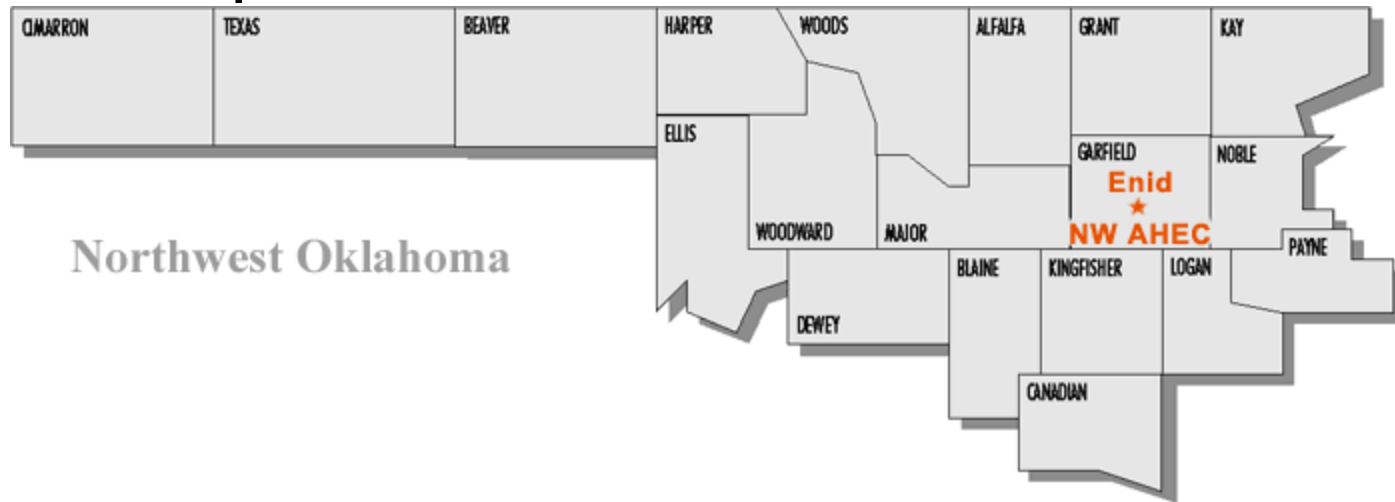
Melinda Snowden  
580-213-3173  
Melinda.Snowden@okhca.org

Melinda Snowden  
November 12, 2015



# MY AREA:

- Housed in Enid with the Rural Health Projects, Inc.
- Serves 19 Counties
- Unique issues in this area....



# COMMUNITY ENGAGEMENT:

- Participate in 23 coalitions
- Share information at 12-14 community events per year
- Participated in the development of six Community Health Improvement Plans (CHIP)

# COMMUNITY FORUMS:

## **Guymon Community Forum**

- Only forum held annually
- SoonerRide issue identified and corrected
- 2014-2015 forums were expanded to include provider training

## **Other forum topics: Enid, Clinton, Ponca City**

- Budget impacts
- Oklahoma Durable Medical Equipment Reuse Program
- Insure Oklahoma



# PARTNERSHIP WITH PIONEER TELEPHONE COOPERATIVE:

Broadcasts OHCA videos and PSAs to most of Western Oklahoma (outside of Panhandle)

- Governor Fallin Text4Baby
- Strong Start
- Personal Health
- Tell Us Your Story
- Teen Check Up
- Early Detection

# OKLAHOMA FAMILY NETWORK PARTNERSHIP:

- SoonerCare Member Focus Group
- Enid Regional Leadership Institute
- Joining Forces Conference

# GARFIELD COUNTY MICRONESIAN COALITION (COMPACT OF FREE ASSOCIATION MIGRANTS)

- Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA)
- Population in Garfield County ~ 2000
- Eligibility for newborns and pregnant women

# TEXAS COUNTY ACCESS TO CARE PROJECT:

## **Successes:**

- Funded FQHC
- Continued development a broad network of key stakeholders
- Created specialized committees focused on eliminating and dissolving barriers
- Addressed transportation-centered barriers. Community members are reporting significant improvements
- Increased community awareness and support for improvement of public health
- Developed local-specific materials for recruitment of additional providers, creating a more inviting environment

## **Next Steps:**

- Documentation of the steps taken by the Access Coordinator will be compiled in order to share best practices for potential application in other parts of Oklahoma



# CONTACT INFORMATION:

## **Melinda Snowden**

Health Promotion Strategist  
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Fax: (405) 530-3441  
[Melinda.Snowden@okhca.org](mailto:Melinda.Snowden@okhca.org)

**Questions?**

# SoonerCare Pharmacy Program Overview

November 12, 2015



# PHARMACY DEPARTMENT

Two sections at OHCA:

Operations – 5.5 FTE

Drug Rebate – 4 FTE

Contractor – OU College of Pharmacy

Pharmacy Management Consultants (PMC)

# SERVICES PERFORMED BY PMC

- Pharmacy help desk
- Clinical PA processing
- Drug Utilization Review (DUR) Board support
- Prospective DUR (ProDUR)
- Retrospective DUR (RetroDUR)
- State Maximum Allowable Cost (SMAC) program
- Pharmacy Lock-In
- Pharmacotherapy management

# PHARMACY PROGRAM STATS

## SFY 2015

- **\$475 million for 6.1 million prescriptions**
- **Over half of members used the benefit**
- **90% generic utilization**
- **Average cost/claim = \$77.50**
- **Average cost/generic = \$25.00**
- **Average cost/brand = \$476**

# SOONERCARE PHARMACY PROGRAM BACKGROUND

- Pharmacy is an optional benefit
- Federal law gives flexibility
- Oklahoma uses a mix of monthly prescription limits, prior authorization, and quantity limits to manage the pharmacy benefit

# FEDERAL MEDICAID PHARMACY POLICY

## **Covered Drugs**

- Federal Drug Rebate Agreement

## **Optional/Excludable Coverage**

- *Cough and cold\**
- Fertility
- Cosmetic
- Weight loss/gain
- Nutritional Supplements
- *Non-prescription\**
  - *\*some coverage for these items under the State Plan*

# PHARMACY BENEFIT

## **6 Rx per month with 2 brand limit**

- **Some drugs don't count**
  - **HIV antiretrovirals, Chemo, BC**
- **Long Term Care – no limit**
- **Children under 21 – no limit**
- **ADvantage and other waiver programs – 1 extra brand + 7 extra generics + Therapy Management for additional**



# SOONERCARE PHARMACY POLICY

## **Dispensing limitation**

- 34 days supply
- Maintenance list up to 100 units
- Many drugs with specific quantity limits

## **Aggressive use of Prior Authorization**

- Over 300 drug products require PA or Step Therapy

## **Copayments – \$4/Rx**

- No copay for children, LTC residents, diabetic supplies

# PRIOR AUTHORIZATION TYPES

**Prior authorization is the primary tool given to states for managing pharmacy program**

## **Utilization**

- Quantity, duration

## **Scope**

- Specific diagnosis

## **Step Therapy or “Product Based” (PBPA)**

- Use most cost-efficient products first

# DUR BOARD PRIOR AUTHORIZATION PROCESS

## **Utilization and Scope PA -**

- Requires 30 day notice prior to vote

## **“Product Based” (PBPA)**

- Requires lengthy process, 4 meetings minimum

***PA recommendations from DUR Board come to the OHCA Board for final approval.***

# FEDERAL DRUG REBATE PROGRAM

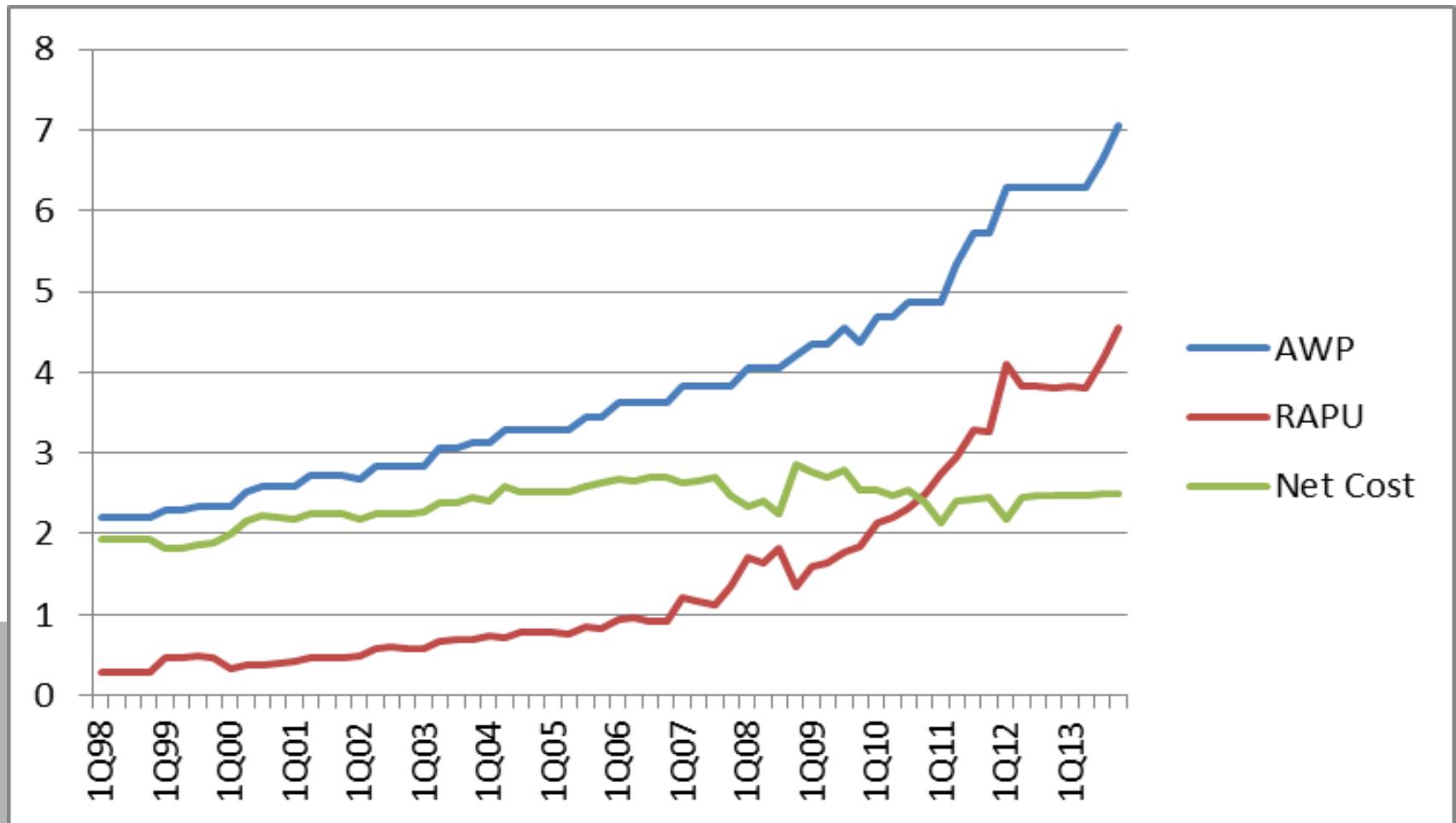
**If a drug has a rebate, Medicaid must cover it *unless* it is in an optional or excluded category.**

**Generally, a manufacturer contracts for all of their product line.**

**Fed rebates FY 15 = \$237 million**

**State Supplemental Rebates = \$13 million**

# NET COST ILLUSTRATION BRANDED DRUG



# PMC COST BENEFIT ANALYSIS

## OVERALL CONTRACT ASSESSMENT

**Mercer's 2013-14 analysis indicates that PMC's current not-to-exceed contract of \$4,400,000 is well below the fees projected for a competitive bid at \$5 to \$12 million.**

# PMC COST BENEFIT ANALYSIS

## INTANGIBLES NOT MEASURED BY MERCER

- **Availability of specialists – pharmacy & medical at OUHSC**
- **Academic analysis and reporting on the pharmacy program at no extra cost**
- **2 published papers, 4 additional accepted and in the printing process, and 5 more in the works.**
- **Supports the educational mission of college**

# PHARMACY PROGRAM RESULTS


- **OHCA Rx Per Member Per Year for CY2014 = \$653**
- **Express Scripts Medicaid Per Member Per Year CY2014 = \$882, *35% higher***
- **With Express Scripts, it would have cost \$165 million MORE**



# PHARMACY PROGRAM RETURN ON INVESTMENT

- **Cost of the Rx Dept = \$1 million**
- **Cost of PMC Contract = \$4 million**
- **Return On Investment for the Pharmacy Dept and COP contract is *\$33 for every \$1 spent***

# SUMMARY

- **OHCA offers comprehensive pharmacy benefit**
  - **Substantial controls in place**
  - **Positive financial results**
  - **External validation/benchmarks**
- 

**Recommendation 1: Prior Authorize Tykerb® (Lapatinib), Halaven® (Eribulin), Ixempra® (Ixabepilone), Kadcyra® (Ado-Trastuzumab), Afinitor® (Everolimus), & Perjeta® (Pertuzumab)**

The Drug Utilization Review Board recommends prior authorization of the following drugs with the listed criteria:

**Tykerb® (Lapatinib) Approval Criteria:**

1. An FDA approved diagnosis of metastatic or recurrent breast cancer; and
2. Positive expression of Human Epidermal Receptor Type 2 (HER2); and
3. Tykerb® must be used in combination with one of the following:
  - a. Herceptin (trastuzumab); or
  - b. Xeloda (capecitabine); or
  - c. An aromatase inhibitor [e.g. Aromasin® (exemestane), Femara® (letrozole) or Arimidex® (anastrozole)] if also estrogen receptor positive (ER positive).

**Halaven® (Eribulin) Approval Criteria:**

1. Diagnosis of metastatic breast cancer; and
2. Previously received at least two chemotherapeutic regimens for the treatment of metastatic disease. Prior therapy should have included an anthracycline and a taxane in either the adjuvant or metastatic setting.

**Ixempra® (Ixabepilone) Approval Criteria:**

1. Diagnosis of metastatic or locally advanced breast cancer; and
2. Usage as either:
  - a. In combination with capecitabine after failure of an anthracycline and a taxane; or
    - i. May be used in combination in taxane only resistance if anthracyclines not indicated; or
  - b. Monotherapy after failure of an anthracycline, a taxane, and capecitabine.

**Kadcyra® (Ado-Trastuzumab) Approval Criteria:**

1. Positive expression of Human Epidermal Receptor Type 2 (HER2); and
2. Diagnosis of metastatic breast cancer; and
3. Member has previously received trastuzumab and a taxane, separately or in combination; and
4. Members should also have either:
  - a. Received prior therapy for metastatic disease; or
  - b. Developed disease recurrence during or within six months of completing adjuvant therapy.

**Perjeta® (Pertuzumab) Approval Criteria:**

1. Positive expression of Human Epidermal Receptor Type 2 (HER2); and
2. Usage for either:

- a. Metastatic breast cancer who have not received prior anti-HER2 therapy or chemotherapy for metastatic disease; or
- b. Neoadjuvant treatment of patients with locally advanced, inflammatory, or early stage breast cancer (either greater than 2cm in diameter or node positive); and
3. Used in combination with trastuzumab and docetaxel (neoadjuvant treatment may also contain other agents as well in addition to trastuzumab and docetaxel).

**Afinitor® (Everolimus) Approval Criteria (Breast Cancer Diagnosis):**

1. Diagnosis of advanced breast cancer; and
2. Negative expression of Human Epidermal Receptor Type 2 (HER2); and
3. Hormone receptor-positive (ER positive); and
4. Used in combination with exemestane; and
5. Member must have failed treatment with, have a contraindication to, or be intolerant to letrozole or anastrozole.

**Afinitor® (Everolimus) Approval Criteria [Neuroendocrine Tumors of Pancreatic Origin (PNET) Diagnosis]:**

1. Diagnosis of unresectable, locally advanced, or metastatic neuroendocrine tumors of pancreatic origin (PNET); and
2. Progressive disease from a previous treatment.

**Afinitor® (Everolimus) Approval Criteria (Renal Cell Carcinoma Diagnosis):**

1. Diagnosis of advanced renal cell carcinoma; and
2. Failure of treatment with sunitinib or sorafenib.

**Afinitor® (Everolimus) Approval Criteria [Renal Angiomyolipoma and Tuberous Sclerosis Complex (TSC) Diagnosis]:**

1. Diagnosis of renal angiomyolipoma and tuberous sclerosis complex (TSC); and
2. Not requiring immediate surgery; and
3. Used in pediatric and adult patients with age  $\geq$  1 year.

**Afinitor® (Everolimus) Approval Criteria [Subependymal Giant Cell Astrocytoma (SEGA) with Tuberous Sclerosis Complex (TSC) Diagnosis]:**

1. Diagnosis of subependymal giant cell astrocytoma (SEGA) with tuberous sclerosis complex (TSC); and
2. Requires therapeutic intervention but cannot be curatively resected.

**Recommendation 2: Prior Authorize Orkambi™ (Lumacaftor/Ivacaftor)**

The Drug Utilization Review Board recommends the prior authorization of Orkambi™ (lumacaftor/ivacaftor) with the following criteria:

**Orkambi™ (Lumacaftor/Ivacaftor) Approval Criteria:**

1. An FDA approved diagnosis of cystic fibrosis (CF) in patients who are homozygous for the F508del mutation in the CFTR gene detected by genetic testing; and

2. If the patient's genotype is unknown, an FDA-cleared CF mutation test should be used to detect the presence of the F508del mutation on both alleles of the CFTR gene; and
3. Orkambi™ will not be approved for patients with CF other than those homozygous for the F508del mutation; and
4. Member must be 12 years of age or older; and
5. Members using Orkambi™ must be supervised by a pulmonary specialist; and
6. The prescriber must verify that ALT, AST, and bilirubin will be assessed prior to initiating Orkambi™, every three months during the first year of treatment, and annually thereafter; and
7. Members must not be taking any of the following medications concomitantly with Orkambi™: rifampin, rifabutin, phenobarbital, carbamazepine, phenytoin, and St. John's wort; and
8. A quantity limit of four tablets per day or 112 tablets per 28 days will apply.
9. Initial approval will be for the duration of three months, after which time, compliance will be required for continued approval. After six months of utilization, compliance and information regarding efficacy, such as improvement in FEV<sub>1</sub>, will be required for continued approval.

### **Recommendation 3: Prior Authorize Savaysa® (Edoxaban)**

The Drug Utilization Review Board recommends the prior authorization of Savaysa® (edoxaban) with the following criteria:

#### **Savaysa® (Edoxaban) Approval Criteria:**

1. An FDA approved diagnosis of one of the following:
  - a. To reduce the risk of stroke and systemic embolism (SE) in patients with non-valvular atrial fibrillation; or
  - b. For the treatment of deep vein thrombosis (DVT) or pulmonary embolism (PE) following 5 to 10 days of initial therapy with a parenteral anticoagulant; and
2. Requests for therapy for the treatment of DVT and PE must verify that the member has undergone 5 to 10 days of initial therapy with a parenteral anticoagulant; and
3. Member must not have a creatinine clearance (CrCl) greater than 95mL/min because of increased risk of ischemic stroke compared to warfarin at the highest dose studied (60mg); and
4. A quantity limit of 30 tablets per 30 days will apply.

### **Recommendation 4: Prior Authorize Epanova® (Omega-3-Carboxylic Acids), Praluent® (Alirocumab), & Repatha™ (Evolocumab)**

The Drug Utilization Review Board recommends the prior authorization of Epanova® (omega-3-carboxylic acids) with the following criteria:

#### **Lovaza® (Omega-3-Acid Ethyl Esters), Vascepa® (Icosapent Ethyl), and Epanova® (Omega-3-Carboxylic Acids) Approval Criteria:**

1. Laboratory documentation of severe hypertriglyceridemia (fasting triglycerides  $\geq$  500mg/dL), and controlled diabetes (fasting glucose  $<$  150mg/dL at the time of triglycerides measurement and HgA1C  $<$  7.5%); and
2. Previous failure with both nicotinic acid and fibric acid medications; and
3. Use of Vascepa<sup>®</sup> or Epanova<sup>®</sup> requires a patient-specific, clinically significant reason why the member cannot use omega-3-acid ethyl esters (generic Lovaza<sup>®</sup>).

Additionally, the College of Pharmacy recommends the prior authorization of PCSK9 inhibitors, Praluent<sup>®</sup> (alirocumab) and Repatha<sup>™</sup> (evolocumab), with the following criteria:

**PCSK9 Inhibitors Approval Criteria:**

1. An FDA approved diagnosis of heterozygous familial hypercholesterolemia (HeFH) defined by the presence of one of the following criteria:
  - a. A documented functional mutation(s) in the LDL receptor (LDLR) gene or other HeFH-related genes via genetic testing; or
  - b. Definite HeFH using either the Simon Broome Register criteria or the Dutch Lipid Network criteria; or
2. An FDA approved diagnosis of homozygous familial hypercholesterolemia (HoFH) defined by the presence of at least one of the following:
  - a. A documented functional mutation(s) in both LDL receptor alleles or alleles known to affect LDL receptor functionality via genetic testing; or
  - b. An untreated total cholesterol greater than 500mg/dL and at least one of the following:
    - i. Documented evidence of definite HeFH in both parents; or
    - ii. Presence of tendinous/cutaneous xanthoma prior to age 10 years; or
3. An FDA approved diagnosis of clinical atherosclerotic cardiovascular disease defined by the presence of one of the following criteria:
  - a. High cardiovascular risk confirmed by Framingham risk score; and
    - i. Supporting diagnoses/conditions signifying this risk level; or
  - b. Documented history of Coronary Heart Disease (CHD); and
    - i. Supporting diagnoses/conditions and dates of occurrence signifying history of CHD; and
4. Member must be 18 years of age or older for the diagnosis of HeFH or clinical atherosclerotic cardiovascular disease, or must be 13 years of age or older for the diagnosis of HoFH; and
5. Member must be on high dose statin therapy (LDL reduction capability equivalent to rosuvastatin 40mg) or on maximally tolerated statin therapy; and
  - a. Statin trials must be at least 12 weeks in duration (dosing, dates, duration of treatment, and reason for discontinuation must be provided); and
  - b. LDL-cholesterol (LDL-C) levels should be included following at least 12 weeks of treatment with each statin medication; and
  - c. For statin intolerance due to myalgia, creatine kinase (CK) labs verifying rhabdomyolysis must be provided; and
  - d. Tier structure rules still apply; and

6. Member requires additional lowering of LDL-C (baseline, current, and goal LDL-C levels must be provided); and
7. Prescriber must verify that member has been counseled on appropriate use, storage of the medication, and administration technique; and
8. Repatha™ requests for the dosing regimen of 420mg once monthly require a diagnosis of HoFH or require a patient-specific, clinically significant reason why the member cannot use Repatha™ at the dosing regimen of 140mg every 2 weeks; and
9. A quantity limit of 2 syringes or pens per 28 days will apply for Praluent® and a quantity limit of 2 syringes or autoinjectors per 28 days will apply for Repatha™. Patients with the diagnosis of HoFH needing 3 Repatha™ syringes or autoinjectors per 30 days (for the dosing regimen of 420mg once monthly) will be approved for a quantity limit override upon meeting PCSK9 inhibitors approval criteria.
10. Initial approvals will be for the duration of 3 months. Continued authorization at that time will require the prescriber to provide recent LDL-C levels to demonstrate the effectiveness of this medication, and compliance will be checked at that time and every six months thereafter for continued approval.

<b>Pharmacy item 7(a) Breast Cancer Treatments</b>				<b>CY2014</b>
<b>Tykerb®</b>	Lapatinib	HER2 positive, ER positive, metastatic or recurrent 2nd line	Tablet	\$157,000
<b>Halaven®</b>	Eribulin	Third line, metastatic	Infusion	\$184,000
<b>Ixempra®</b>	Ixabepilone	Second or third line, metastatic or advanced	Infusion	\$76,000
<b>Kadcyla®</b>	Ado-trastuzumab	HER2 positive, metastatic, second line	Infusion	\$143,000
<b>Perjeta®</b>	Pertuzumab	HER2 positive, metastatic or advanced	Infusion	\$643,000
<b>Afinitor®</b>	Everolimus	HER2 negative, ER positive, second line	Tablet	\$1,200,000
				\$2,400,000
<b>Pharmacy item 7(b)</b>				<b>Cost/year</b>
<b>Orkambi®</b>	Lumacaftor/Ivacaftor	CF patients with a specific mutation	Tablet	\$252,470
<b>Pharmacy item 7-c</b>				
<b>Savaysa®</b>	Edoxaban	Anticoagulant to reduce risk of stroke or treat PE/DVT	Tablet	\$3,600
<b>Pharmacy item 7(d) Lipid lowering agents</b>				
<b>Epanova®</b>	Omega-3-Carboxylic Acids	2nd or 3rd line, TG ≥ 500	Capsule	Not Available
<b>Praluent®</b>	Alirocumab	2nd or 3rd line, genetic hyperlipidemia, high risk for CVD	Injection	\$15,375
<b>Repatha®</b>	Evolocumab	2nd or 3rd line, genetic hyperlipidemia, high risk for CVD	Injection	\$15,375