

The Evidence-Based Prescription Drug Program (EBRx) UAMS College of Pharmacy

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Evidence-Based Prescription Drug Program (EBRx) - Overview

- Program within the UAMS College of Pharmacy
- Established in 2004 to construct/manage the Arkansas Medicaid Preferred Drug List
- Operational for 10 years
- Involved in the management of other prescription drug programs:
 - Arkansas Employee Benefits Division (EBD) – State Employees / Public School Employees
 - University of Arkansas System
 - Public Employee Claims Division (State Workers Compensation)
 - Private Plans through Little Rock-based RxResults
 - Arkansas Municipal League
 - North Carolina Municipal League
 - Dillard's Stores
 - Texas Municipal League
 - Harding University
 - Oklahoma Municipal League

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Services Provided to Arkansas Medicaid

Preferred Drug List Support

- **Drug Review Committee** - Evidence-based review by a committee of Arkansas physicians and pharmacists
- **Drug Cost Committee** – separate review of supplemental rebate proposals from drug manufacturers
- **Prior Authorization Call Center** – located at UAMS College of Pharmacy, staffed with pharmacists who handle prior authorization requests and physicians who handle provider appeals.

Other Support

- Assistance with ADHD / Antipsychotic therapy documentation
- Additional faculty participation on Medicaid Drug Utilization Review Board

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Services Provided to the Employee Benefits Division

- Comprehensive management of the pharmacy benefit
- Management of the Drug Utilization and Evaluation Subcommittee (DUEC)
- Management of EBD's Delivery Coordination Workgroup
- On-site pharmacy operations support
- Prior Authorization Call Center / Physician Appeals Management
- Member Services Support
- Pharmacy Benefit Programming and Coordination
- Manufacturer Rebate Management (in progress)

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Employee Benefits Division Prescription Drug Program Performance: CY 2013 vs. CY 2014

Parameter	CY 2013	CY 2014	Difference
Eligibility	150,359	152,631	2,272
Total Plan Paid	\$145,172,349	\$117,242,990	(\$27,929,359)
Total Rxs	2,702,335	2,601,270	(101,065)
Rxs PMPM	1.50	1.42	(0.08)
Plan Paid PMPM	\$80.46	\$64.01	(\$16.45)
Avg. Rx Cost (before copay)	\$68.23	\$62.52	(\$5.71)
Avg. Copay	\$14.51	\$17.44	\$2.93
Generic Rate (%)	84.5%	88.3%	3.8%

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Employee Benefits Division Prescription Drug Program Performance: CY 2013 vs. CY 2014 (Continued)

- Cheiron, EBD's actuary, recently summarized EBD's plan performance from CY 2013 to CY2014 versus a national trend.¹
- This performance, along with other factors contributed to no rate increase for 2016.

	Unit Cost	Utilization	Total
National Average²			
Traditional	6.5%	-0.1%	6.4%
Specialty	25.2%	5.8%	30.9%
Total Overall	13.2%	0.0%	13.1%
ASE/PSE (EBD)			
Brand	18.5%	-27.4%	-14.0%
Generic	-10.6%	1.0%	-9.7%
Traditional	-9.0%	-3.3%	-12.0%
Specialty	8.0%	-15.1%	-8.4%
Total Overall	-8.4%	-3.3%	-11.5%

¹ Cheiron presentation to EBD's Board, May 19, 2015

² Source: <http://lab.express-scripts.com/drug-trend-report>

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Drug Price Increases Since 2007 – Outrageous?

Drug Name	Treatment Category	Manufacturer	Percent of Price Increase	Total 2013 Sales
Xyrem (sodium oxybate)	Narcolepsy	Jazz Pharma	841%	\$569 million
Humulin (regular insulin)	Diabetes	Eli Lilly	354%	\$1.3 billion
Premarin (conjugated estrogens)	Menopausal Symptoms	Pfizer	257%	\$1.1 billion
Lunesta (eszopiclone)	Sleep Disorder	Sunovion	170%	\$432 million
Benicar (olmesartan)	High Blood Pressure	Daiichi Sankyo	164%	\$3.1 billion
Lantus (insulin glargine)	Diabetes	Sanofi	160%	\$7.93 billion
Copaxone (glatiramer)	Multiple Sclerosis (MS)	Teva	157%	\$5.5 billion
Gleevec (imatinib)	Blood cancers	Novartis	158%	\$4.693 billion

Sources: <http://www.fiercepharmamarketing.com/story/10-big-brands-keep-pumping-out-big-bucks-little-help-price-hikes/2014-05-07>

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Recommendations

- Secure separate prescription drug claims processing services rather than full-service PBM approach
- Considering in-state expertise and process, allow local management and decision-making within a consolidated pharmacy program
- Expand program management upon the existing foundations that have been established (Medicaid / Non-Medicaid)
- Allow UAMS to provide drug reviews for drug formulary decisions
- Establish a state-wide Arkansas Drug Formulary
- Allow in-state management of manufacturer rebate contracting
- Require better use of data / technology to engage patients and providers
- Prohibit the use of manufacturer's coupons within the program

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