

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
 PROCUREMENT
 P.O. BOX 30026, LANSING, MI 48909
 OR
 530 W. ALLEGAN, LANSING, MI 48933

CHANGE NOTICE NO. 4
 to
CONTRACT NO. 071B0200069
 between
THE STATE OF MICHIGAN
 and

NAME & ADDRESS OF CONTRACTOR:	PRIMARY CONTACT	EMAIL
Magellan Medicaid Administration 4300 Cox Road Glen Allen, VA 23060	Donna M. Mellen	dmmellen@magellanhealth.com
	TELEPHONE	CONTRACTOR #, MAIL CODE
	(508) 562-2655	

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
CONTRACT COMPLIANCE INSPECTOR	DCH	Greg Rivet	517-335-5096	rivet@michigan.gov
BUYER	DTMB	Lance Kingsbury	517-241-3768	kingsburyl@michigan.gov

CONTRACT SUMMARY:			
DESCRIPTION: Pharmacy Benefits Manager Services (PBM) for Medicaid and Other Michigan Department of Community Health (DCH) Programs - DCH			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
April 1, 2010	March 31, 2013	4, 1 Year Options	March 31, 2013
PAYMENT TERMS	F.O.B	SHIPPED	SHIPPED FROM
N/A	N/A	N/A	N/A
ALTERNATE PAYMENT OPTIONS:			AVAILABLE TO MI/DEAL PARTICIPANTS
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS:			
N/A			

DESCRIPTION OF CHANGE NOTICE:				
EXTEND CONTRACT EXPIRATION DATE	EXERCISE CONTRACT OPTION YEAR(S)	EXTENSION BEYOND CONTRACT OPTION YEARS	LENGTH OF OPTION/EXTENSION	EXPIRATION DATE AFTER CHANGE
<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1 year	March 31, 2014
VALUE/COST OF CHANGE NOTICE:		ESTIMATED REVISED AGGREGATE CONTRACT VALUE:		
\$9,954,205.20		\$31,244,285.20		

Effective March 27, 2013, this contract exercises a contract option year. The new contract end date is March 31, 2014. Contract is also increased by \$9,954,205.20. The Statement of Understanding (SOU) for the Medical Pharmacy Management Program will not be part of the services included in the 1-Year contract extension and pages 40-52 incorporated in Change Notice No. 3 are being removed accordingly. Please reference attached SOU for Michigan Department of Community Health Hemophilia Utilization Management Program and SOU for EnhanceMed. Please note, the contract compliance inspector changed to Greg Rivet. All other terms, conditions, pricing and specifications remain the same. Per vendor and agency agreement, DTMB Procurement approval and the approval of the State Administrative Board on February 19, 2013.

**AMENDMENT TO
STATEMENT OF UNDERSTANDING (SOU) FOR THE
MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
MEDICAL PHARMACY MANAGEMENT PROGRAM**

This AMENDMENT TO THE STATEMENT OF UNDERSTANDING (SOU) FOR THE DEPARTMENT OF COMMUNITY HEALTH MEDICAL PHARMACY MANAGEMENT PROGRAM (the "Amendment") between the State of Michigan and Magellan Medicaid Administration, Inc. is effective as of August 2, 2011. Michigan and Magellan Medicaid Administration are together referred to hereinafter as the "Parties." Capitalized terms used in this Amendment and not defined herein shall have the meanings ascribed to them in the Agreement and SOU (defined hereinafter).

WHEREAS, the State of Michigan and Magellan Medicaid Administration are Parties to Contract No. 071B0200069, effective April 1, 2010 (the "Agreement"); and

WHEREAS, the State of Michigan and Magellan Medicaid Administration are Parties to a Statement of Understanding for the Michigan Department of Community Health Medical Pharmacy Management Program dated August 2, 2011 ("SOU"), which SOU has been incorporated into the Agreement;

WHEREAS, the Parties desire to amend certain terms and provisions of the SOU;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants set forth herein, and intending to be legally bound hereby, the Parties agree the SOU shall be amended as follows:

1. A new Section 5 ("Intellectual Property") shall be inserted into the SOU as follows:

5.0 Intellectual Property

It is understood and agreed that the Proprietary Reimbursement Schedule and Claims Edits described in Section 1 of the SOU ("Executive Overview") are "preexisting licensed works" within the meaning of Section 2.262 of the Agreement, and accordingly shall remain the property of Magellan Medicaid Administration and Magellan Medicaid Administration's subsidiary, ICORE Healthcare, LLP."

All other terms and conditions of the SOU remain unchanged and shall be in full force and effect.

IN WITNESS WHEREOF, the Parties hereto each by its officers duly authorized, have executed this Amendment as of the date first written above.

STATE OF MICHIGAN

**MAGELLAN MEDICAID
ADMINISTRATION, INC.**

By: _____

By:  _____

Name: _____

Name: Timothy G. Nolan

Title: _____

Title: President

Statement of Understanding (SOU) for Michigan Department of Community Health Hemophilia Utilization Management Program

March 19, 2013



MAGELLAN VISION
HEALTH STRATEGIES

Proprietary & Confidential
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Revision History

Date	Name	Comments
03/19/2013	Sherrill Bryant	Initial creation

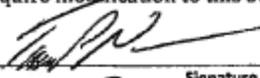
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Approvals Signature Page

Magellan Medicaid Administration will deliver the requested change outlined in this Statement of Understanding by 4.1.2013 if Client signature approval is received by 3.31.2013.

Any changes to the Requirements, Assumptions, Constraints, and Issues/Concerns/Questions may require modification to this Statement of Understanding and the cost estimates.

 _____ Signature	<u>Timothy P. NOLA</u> _____ Printed Name
<u>President</u> _____ Title	<u>3/20/2013</u> _____ Date

 _____ Signature	<u>Trish M O'Keefe</u> _____ Printed Name
<u>MDCH Pharmacy Mgmt Division Director</u> _____ Title	<u>3/20/2013</u> _____ Date

_____ Signature	_____ Printed Name
_____ Title	_____ Date

_____ Signature	_____ Printed Name
_____ Title	_____ Date

1.0 Overview

Magellan Medicaid Administration will provide the Michigan Department of Community Health (MDCH) with a Hemophilia Utilization Management program.

The core program being offered to MDCH is the utilization management of Hemophilia Factor drugs (factor). This program has two components:

- **Prior Authorization (PA):** The first component is recommended to ensure appropriateness of the use of Hemophilia Factor for eligible patients, and to ensure the requesting physician and pharmacy providers are in-network. Prescriptions are prior authorized across all sites of care (Hemophilia Treatment Centers (HTCs), Home Infusion Pharmacies (HI), and Specialty Pharmacies (SPP)) and renewed annually.
- **Assay Management:** Hemophilia Factor prescriptions are typically written stating the assay required (e.g., "1,000 units") with an allowable variance of "+/- 10%." Such wide variances are unnecessary and amount to overutilization. Magellan Medicaid Administration's allowable variance is "+/- 3%."

2.0 Scope of Work

The State of Michigan authorizes Magellan Medicaid Administration to provide the services outlined in *Section 2.0 – Scope of Work*. This Statement of Understanding (SOU) is an amendment to the Pharmacy Benefits Manager Services (PBM) for Medicaid and other Michigan Department of Community Health (DCH) Programs' agreement #071B0200069 ("PBM Services Agreement").

Magellan Medicaid Administration shall implement its Hemophilia Utilization Management Program with MDCH for its Fee-for-Service (FFS) membership, and its Medicaid Managed Care Organization membership (MMCO), currently estimated to be 632,000 members and 1,200,000 members respectively.

2.1 Objectives

The primary objectives of this SOU are to

- Develop MDCH's strategy and implementation plan for Hemophilia Factor;
- Provide IT Consulting services to MDCH for claims editing logic necessary for program implementation;
- Decrease unnecessary spend of Hemophilia Factor drugs via Prior Authorization (PA) and Assay Management;
- Prior Authorize all MDCH members receiving Hemophilia Factor drugs on an annual basis;
- Conduct Case Review of all Hemophilia Factor requests from MDCH network pharmacy providers, hemophilia treatment centers, and home health care agencies;
- Manage Assays of dispensed Hemophilia Factor drugs to +/- 3% of the prescribed Assay;
- Communicate the program to MDCH's provider network pharmacies, hemophilia treatment centers, and home health care agencies; and
- Measure and report savings.

2.2 Deliverables

Magellan Medicaid Administration will provide MDCH with the following specific deliverables:

Activities	Deliverable	Timing
Implementation Activities <ul style="list-style-type: none"> ▪ Coordinate joint implementation workgroups ▪ Document business requirements ▪ Work jointly under Magellan Health Services to leverage existing MDCH files and data to support hemophilia management program 	<ul style="list-style-type: none"> ▪ Gather project business requirements ▪ Implement project and supporting processes through leveraging MDCH eligibility data, provider files, pharmacy paid claims data, etc., currently available for Magellan Medicaid Administration services 	Beginning 03/18/2013
Internal Program Education <ul style="list-style-type: none"> ▪ Review hemophilia management program with key MDCH departments: <ul style="list-style-type: none"> – Children Special Health Care Services – Provider – Policy – Pharmacy – Medical 	<ul style="list-style-type: none"> ▪ Provide education and training to MDCH-identified internal teams and resources on project objectives and components 	Beginning 03/18/2013
Communication Plan <ul style="list-style-type: none"> ▪ Develop detailed provider communication plan for program notification <ul style="list-style-type: none"> – Specialty Pharmacies – Hematologists – Other hemophilia health care practitioners – Hemophilia Treatment Centers 	<ul style="list-style-type: none"> ▪ Joint workgroup discussions to identify provider and beneficiary communication plans ▪ Draft all communication materials for MDCH to provide comment and final review ▪ Jointly identify providers that require outreach to discuss program enhancement and process change (onsite or via conference call) ▪ Execute multi-channel communication plan 	Beginning 03/18/2013

Activities	Deliverable	Timing
Assay and Use Management <ul style="list-style-type: none"> ▪ Dispensing providers will be required to obtain prior authorization from MMA ▪ Review units prescribed by ordering physician against units requested by the dispensing provider and authorize assays within +/- 3% of the written prescription ▪ Manage number of emergency doses prophylactic treatment patients have on hand and allow a maximum of five on-demand doses. 	<ul style="list-style-type: none"> ▪ Document prior authorization request information and provide data elements to Magellan Medicaid Administration daily to support subsequent pharmacy claim adjudication. 	04/01/2013
Measurement <ul style="list-style-type: none"> ▪ Measure program savings ▪ Present savings to MDCH leadership 	<ul style="list-style-type: none"> ▪ Savings reports 	Quarterly

Implementation and operational phase performance standards and guarantees do not apply to services to be provided under this SOU.

3.0 Time Period of Agreement

This amendment to the PBM Services Agreement will be effective beginning April 1, 2013, and run concurrently with the pharmacy benefits administration contract, which concludes March 31, 2015. The Operational phase of this agreement will commence on or about April 1, 2013.

4.0 Pricing and Deliverables

4.1 Pricing Components

- **Annual Fee and Timing:** Magellan Medicaid Administration's annual fee will be applied during the Operational phase, beginning April 1, 2013. The State of Michigan agrees to reimburse Magellan Medicaid Administration a fee of \$381,000.00 annually for the services provided. Payments will be made on a monthly basis in the amount of \$31,750.00 per month.
- **Annual Fee Adjustment:** For subsequent contract years, the annual fee shall increase by the amount and percentage in the table below. The date of adjustment will coincide with the renewal date of Magellan Medicaid Administration's contract, April 1.

Contract Year	Monthly Fee	Annual Fee	Maximum Annual Fee Adjustment
April 1, 2013 - March 31, 2014	\$31,750.00	\$381,000.00	
April 1, 2014 - March 31, 2015	\$32,946.98	\$395,363.70	3.77%
April 1, 2015 - March 31, 2016	\$34,189.18	\$410,270.16	3.77%
April 1, 2016 - March 31, 2017	\$35,478.11	\$425,737.35	3.77%

- **Estimated Annual Savings and Implementation Dates for Services selected:**
Based on the services selected by MDCH, program savings are projected to be approximately \$800,000.00 annually. This projection is not guaranteed, and depends on, among other factors, MDCH's acceptance, and implementation of all the services set forth below:
 - Prior Authorization (PA): April 1, 2013
 - Assay Management: April 1, 2013
- **State of Michigan:** The following deliverables will be required of the State of Michigan to meet contract implementation deadlines, and operational guidelines throughout the life of this contract:
 - March 29, 2013 - Signature of this SOU
 - Operational Phase (April 1, 2013 - throughout contract)
 - ❖ Maintenance and updating of Hemophilia Factor drug NDCs and J-codes within the MI DCH MMIS system
 - ❖ Assistance with Provider relations
 - ❖ Quarterly teleconferences with Magellan Medicaid Administration on program results and adjustments
 - ❖ Annual review with Magellan Medicaid Administration staff

5.0 Intellectual Property

It is understood and agreed that the proprietary components of the MMA Program described in Section 1.0 - Executive Overview of the SOU are "preexisting licensed works" within the meaning of Section 2.262 of the PBM Services Agreement, and accordingly shall remain the property of Magellan Medicaid Administration.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their respective duly authorized representatives as of the effective date.

Michigan Department of Community Health	Magellan Medicaid Administration
 Signature	 Signature
Trish M. O'Keefe Name	Timothy P. Nolan Name
Director MDCH Pharmacy Mgmt Division Title	President Title

6.0 Attachment A

Michigan Department of Community Health - Hemophilia Case Review Form

If you have questions or concerns, please call (800) 327-1395.
 Fax completed form to (888) 656-1952.



URGENT REQUEST - For Acute Bleeding Episodes and/or PRN Dosing

Pharmacy Information			
Name:		NPI:	
Contact Name:	Phone #:	Fax #:	
Patient Information			
Last Name:	First Name:	Middle:	DOB (mm/dd/yy):
Daytime Phone:		Evening Phone:	
Insurance Information			
Policy Holder's Name:		ID # on Insurance Card:	
Physician Information			
Name:		Specialty:	
Address:			
Phone #:	Fax #:	NPI:	
Primary Diagnosis (ICD-9 / ICD-10)			
<input type="checkbox"/> 286.0 / D66 - Congenital factor VIII disorder (Hemophilia A)	<input type="checkbox"/> 286.7 / D68.32 - Hemorrhagic dis. due to extrinsic circulating anticoagulants		
<input type="checkbox"/> 286.1 / D67 - Congenital factor IX disorder (Hemophilia B)	<input type="checkbox"/> 286.7 / D68.4 - Acquired coagulation factor deficiency		
<input type="checkbox"/> 286.2 / D68.1 - Congenital factor XI deficiency (Hemophilia C)	<input type="checkbox"/> 286.9 / D68.8 - Other specified coagulation defects		
<input type="checkbox"/> 286.3 / D68.2 - Deficiency of other clotting factors	<input type="checkbox"/> 286.9 / D68.9 - Unspecified coagulation defects		
<input type="checkbox"/> 286.4 / D68.0 - von Willebrand disease			
Clinical Information			
Native Factor Level:	Target Factor Level:	Patient Weight (kg):	
Reason(s) for Use:			
<input type="checkbox"/> Prophylaxis Only	<input type="checkbox"/> Prophylaxis and Episodic	<input type="checkbox"/> Surgical Prophylaxis Date: _____	<input type="checkbox"/> Acute Bleeding Episode
<input type="checkbox"/> Episodic Only	<input type="checkbox"/> Dental Procedure Date: _____	<input type="checkbox"/> Inhibitors	
Acute Bleeding Summary:			
Severity of Bleed:		Date of Bleed:	Location of Bleed:
<input type="checkbox"/> Mild	<input type="checkbox"/> Moderate	<input type="checkbox"/> Severe	From ___/___/___ To ___/___/___
# of Doses Used for Bleed:		Total Units Used for Bleed:	
Patient Inventory (Medication on Hand)			
# of Doses on Hand:		Total Units on Hand:	
Prescription Information (Copy of Physician Rx Required)			
Product Name	Dose (IU/RCOF/MC G)	Frequency	Total Dose (IU/RCOF/MC G)
Dispensing Information (Based on Rx)		Dispensing Information (Pharmacy Assay Availability)	
Frequency	Dose (IU/RCOF/MC G)	Total Doses Requested for Month	Vial Strength
Assay Availability	Qty of Vials Dispensed	Total Units Dispensed	
<input type="checkbox"/> Prophylaxis Dose #1			
<input type="checkbox"/> Prophylaxis Dose #2			
<input type="checkbox"/> Episodic/PRN Use			
<input type="checkbox"/> Surgery/Dental Use			

7.0 Attachment B

7.1 Monthly MMA Hemophilia Utilization Management Report

Report Period: 04/01/2013 - 04/30/2013

Summary

Client Organization: MDCH

Health Plan: Michigan Department of Community Health

Turn Around Time (TAT) Summary

Completed Reviews	Average TAT (Days)
44	0

MMA PA Review Savings Summary						Assay/UM Savings	
Medication Trade Name	Physician Base Rx (IU)	Dispensing Pharmacy Requested Quantity (IU)	Dispensing Pharmacy Assay Tolerance	MMA Authorized Quantity (IU)	ICORE Assay Tolerance	Savings (IU)	Total Savings
Advate	384,734	388,207	0.90%	387,839	0.81%	368	\$364.32
Alphanate	14,538	14,500	0.30%	14,583	0.30%	0	\$0.00
AlphaNine	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefix	151,428	154,709	2.17%	154,709	2.17%	0	\$0.00
Helocate	25,500	25,282	-0.93%	25,282	-0.93%	0	\$0.00
Hamoch	45,300	50,542	11.57%	49,085	8.38%	1,467	\$1,034.47
Humate-P	1,325	1,598	19.85%	1,598	19.85%	0	\$0.00
Kogenate	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Monorine	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NovoSeven	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recombinate	270,849	277,563	2.56%	288,723	-1.46%	10,833	\$10,728.88
Kyntha	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total		912,442		899,782		12,660	\$12,128.44



Statement of Understanding (SOU) for EnhanceMed

January 4, 2012

Privacy Rules

The Health Insurance Portability and Accountability Act of 1996 (HIPAA – Public Law 104-191) and the HIPAA Privacy Final Rule¹ and the American Recovery and Reinvestment Act (ARRA) of 2009 provides protection for personal health information. Magellan Medicaid Administration developed and maintains HIPAA Privacy Policies and Procedures to ensure operations are in compliance with the legislative mandates.

Protected health information (PHI) includes any health information and confidential information, whether verbal, written, or electronic, created, received, or maintained by Magellan Medicaid Administration. It is health care data plus identifying information that would allow the data to tie the medical information to a particular person. PHI relates to the past, present, and future physical or mental health of any individual or recipient; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual. Claims data, prior authorization information, and attachments such as medical records and consent forms are all PHI.

¹ 45 CFR Parts 160 and 164, Standards for Privacy of Individually Identifiable Health Information; Final Rule

Revision History

Date	Name	Comments

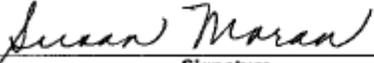
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Approvals Signature Page

Magellan Medicaid Administration will deliver the requested change outlined in this Statement of Understanding by May 1, 2012, if Client signature approval is received by February 1, 2012.

Any changes to the Requirements, Assumptions, Constraints, and Issues/Concerns/Questions may require modification to this Statement of Understanding and the cost estimates.

 Signature	Susan Moran Printed Name
Director, Medicaid Program Operations Bureau Title	2-6-12 Date
 Signature	Timothy P. Nolan Printed Name
President, Magellan Medicaid Administration Title	2-21-12 Date
Signature	Printed Name
Title	Date
Signature	Printed Name
Title	Date

1.0 Overview and Scope

Magellan Health Services combines our expertise in pharmaceutical and behavioral health care to create *EnhanceMedSM*, an academic detailing program focusing on behavioral health that offers providers the support and guidance they need when prescribing behavioral health medications. *EnhanceMedSM* was developed with extensive provider input to create a series of dynamic pharmacy management programs to meet this need.

***EnhanceMedSM* targets providers that practice outside the bounds of evidence-based medicine. These outlier prescribers of certain expensive medications are identified through the use of proprietary clinical algorithms.** The identification of these prescribers creates educational opportunities aimed at changing prescriber behavior through the use of vetted evidence-based guidelines. *EnhanceMedSM* offers providers the support and guidance they need when prescribing behavioral health medications to be able to provide expert quality of care while reducing costs.

1.1 What is EnhanceMedSM?

EnhanceMedSM is an advanced academic detailing program that includes over 100 literature-based algorithms developed by our expert clinical team of adult and child psychiatrists, and psychiatric clinical pharmacists. These evidence-based algorithms encompass prescriber adherence to established guidelines, pediatric- and geriatric-specific prescribing concerns, poly-pharmacy, multiple prescribers, dosing aberrancies, and abuse. *EnhanceMedSM* is designed to meet the needs of this dynamic market and is continually evolving to incorporate current literature and develop new protocols.

EnhanceMedSM is a monthly provider intervention. Over hundreds of complex clinical algorithms comprise our *EnhanceMedSM* protocols. Protocols are applied retrospectively to pharmacy claims each month to capture patient-specific information related to prescribing and utilization scenarios out-of-line with best practices.

EnhanceMed SM Protocol (examples)
Age Alert – Geriatric Beers Criteria: Patients 65 years of age and older on medication(s) not recommended by the Beers criteria
Age Alert – Pediatric Antidepressants: Patient age below approved range for specific antidepressant medications
Age Alert – Pediatric Antipsychotics: Patient age below approved range for specific antipsychotic medications
Age Alert – Pediatric Stimulants: Patient age below approved range for specific stimulants for ADHD

EnhanceMed SM Protocol (examples)
Age Alert – Geriatric Antipsychotics: Patients 65 years of age and older on antipsychotic medication(s) is not recommended
Dosing Efficiency: Patient on antipsychotics and antidepressants that have a more appropriate regimen to allow for fewer units per day
Duplicate Therapy: Patient on multiple medications from the same behavioral health class for 60 days or more from the same RBHA provider
Maximum Dose: Patient on dose that exceeds FDA-approved maximum
Maximum Dose - Multiple Prescription: Patient on dose that exceeds protocol across multiple prescriptions for the same drug
Minimum Dose: Patient on dose below recommended dose
Low Dose Seroquel[®] (quetiapine): Patient on dose less than 150 mg
Generic Optimization: Patient on brand name drug when a same-class generic is available

1.2 How EnhanceMedSM Works

Pharmacy claims are processed through our proprietary algorithms retrospectively, on a monthly basis. When a unique combination of claims/attributes meets the requirements for an algorithm, the algorithm is triggered and results in the identification of “out-of-compliance” prescribing behavior. This process will identify prescribers whose prescribing patterns are inconsistent with current practice guidelines.

If a provider is identified as being out of compliance with a protocol, a message is generated and listed in a printed report showing the member-specific quality opportunity. The top strata (5–10%) of providers with the most opportunities and identified prescribing concerns are targeted for consultation.

Providers identified through the system as potentially needing guidance on clinical guidelines or the need to discuss their prescribing patterns are contacted directly for a personalized consultation. A personalized consultation with a Magellan behavioral health clinical pharmacist is then scheduled to review the identified findings and review current literature and practice guidelines. The program also provides several resources for providers, such as web-based resources, practice guidelines, and CME provider forums, to assist them in selecting evidenced-based choices.

For those providers not requiring personalized consultation, Magellan will produce a patient-specific *EnhanceMedSM* packet that will be delivered to the prescriber (through mail) and followed up with through either a face-to-face encounter or through other outreach (e.g., mail, telephone, etc.), when appropriate.

1.3 Key Components

Data Analysis

Monthly analysis of pharmacy claims data through our proprietary algorithms to identify outlier behavior. Magellan Medicaid Administration will deliver a full claims file to our *EnhanceMedSM* management tool. Analysis requires 1) claims set, 2) provider file, and 3) member file.

Clinical Consultation

The program will interface with providers with the highest degree of opportunity for improvement (either clinical or financial outcomes) through direct mail and follow-up consultation with a pharmacist specializing in psychiatric pharmacology or a psychiatrist is necessary/available if the health care professional wishes to have further consultation.

Direct Mailings

Targeted educational packets that include patient-specific information related to prescribing and utilization scenarios that fall out of line with best practices are mailed to providers monthly after each case finding.

Telephonic Consultations: Provider Help Line

A provider help line will offer providers access to a telephone consultation with one of our psychiatric pharmacists or board-certified psychiatrists for questions related to behavioral health prescribing.

E-mail Communications: Dedicated E-Mail Box

A dedicated provider e-mail address that offers providers access to ask questions or schedule discussions directly with one of our psychiatric pharmacists or board-certified psychiatrists (when appropriate) for questions related to behavioral health prescribing.

Provider Forums

Our dedicated clinical pharmacist will attend provider workshops and meetings to educate and promote the program. The pharmacist will also create and maintain stakeholder relationships with relevant associations and other stakeholders identified by the state.

In addition, three to four (depending on participation/sign-up) pre-implementation forums will be held for doctors/NPs. Forums will be held at a dinner event, where the program will be detailed via a slide-deck, to the providers.

For those unable to participate in person web-based forums will be held for providers to view and call in to hear the presentation of the slide deck, that would traditionally be used for provider forums. Magellan Medicaid Administration will create promotional/marketing material as necessary.

Steps

Implementation: Three Months

Data transfer set-up and Program Rollout, including provider forums with CMEs and other outreach, as appropriate. Recruitment, hiring, and training of clinical pharmacist.

Provider Targeting

Monthly engine run of pharmacy claims data using *EnhancedMedSM*'s proprietary data analytics and analysis engine. Targeted providers identified. Geographical area targeted.

Provider *EnhancedMedSM* Packets Produced

Member-level detail, mailed with customized introductory letter.

Consultations Scheduled

First packets targeted to be mailed April 2012 (depending on when implementation starts). Consultations scheduled between Magellan Medicaid Administration *EnhancedMedSM* clinical pharmacist and targeted providers.

Evaluation and Impact Assessment

Monthly activity and outcomes reporting.

2.0 Requirements

Monthly pharmacy claims data, provider file, and member file will be delivered from Magellan Medicaid Administration to Magellan Data Warehouse for loading into the *EnhancedMedSM* Engine. The engine will run the selected protocols monthly and identify the top 10–20% of outlier prescribers for review. The targeted outlier prescribers will have a letter template (to be approved by client) generated and mailed from the Magellan mailing center to the address provided in the prescriber file. A sample of the letters will be audited for quality prior to mailing.

If the practitioner wishes to have further consultation with a behavioral health pharmacist or a psychiatrist, they may request consultation via telephone or e-mail.

Staffing

Team Member	Roles and Responsibilities
Executive Account Sponsor: Melissa Lamer	Senior-level authority and responsibility of the teams within Magellan to ensure delivery of the highest quality services. Full oversight of the implementation and the on-going operations of the program.
Clinical Manager: To be Hired	Clinical Pharmacist specialized in psychiatry will work closely with all the Magellan Medicaid Administration PBM staff and MI pharmacy team to coordinate clinical activities and administer the program to meet the needs of your plan.

2.1 Operational Workflow



Generic-EnhanceMed
-DataFlow.pdf

2.2 Requirements from Client

- Quality data in appropriate format
- Approval of the cover letter and protocol templates
- Support of clinical initiative by requesting participation by providers for this quality initiative

3.0 Constraints

Prescriber addresses are received from NPI file, and the accuracy of this file requires that the prescribers update their addresses with the national registry.

4.0 Proposed Pilot

Magellan Medicaid Administration proposes a three-month pilot of this program. The Pilot will be comprised of **two** MI-selected *EnhanceMedSM* protocols and will consist only of mailings and inbound consultations.

5.0 Estimates and Costing

\$150,000 for implementation; payable upon completion.

\$450,000 in annual fees, invoiced and paid in 12 (twelve) equal monthly payments.

Implementation includes: Interface set ups including ftp process to load data into operational data store (ODS), creation of automated load process, claims, member and provider file interfaces, and testing of file transfers. Creation of operational data stores (ODS) within data warehouse. Configuration and customization of lettering for Michigan.

Any changes to the Requirements, Assumptions, Constraints, and Issues/Concerns/Questions may require modification to this Statement of Understanding and the cost estimates.

THE PRICES CONTAINED IN THIS COST PROPOSAL SHALL REMAIN VALID FOR A PERIOD OF NINETY (90) DAYS FROM THE DATE OF THIS PROPOSAL. AFTER THE EXPIRATION OF THE ABOVE PERIOD, THESE PRICES MAY ONLY BE ACCEPTED OR THE TIME PERIOD EXTENDED WITH THE WRITTEN CONSENT OF MAGELLAN MEDICAID ADMINISTRATION.