



Michigan Department of Health & Human Services

# Medicaid Health Plan Common Formulary

October 8, 2018

*Putting people first, with the goal of helping all Michiganders lead healthier and more productive lives, no matter their stage in life.*

# Panel Introductions

- **Kathy Stiffler** (Director - MDHHS Bureau of Medicaid Care Mgmt & Quality Assurance)
- **David R. Neff, DO** (Chief Physician - MDHHS Office of Medical Affairs)
- **Trish Bouck** (Director - MDHHS Pharmacy Mgmt Division)
- **Jennifer Walters, Pharm D.** (Molina Healthcare of Michigan)
- **Donald S. Beam, M.D.** (Chief Medical Officer, BCC)

# Purpose of the Meeting

- The purpose of our meeting today is to provide an opportunity for stakeholder engagement and clarification of content on the Medicaid Health Plan Common Formulary.
- Please note that this meeting is not intended to be a venue for pharmaceutical drug product-specific presentations.

## Format of Today's Meeting

- We will provide a general overview of the Medicaid Health Plan Common Formulary. There will be an opportunity after the presentation to ask additional questions. Feel free to ask questions throughout the presentation as well.
- We will ask that questions be put in writing to allow us to review and provide written responses after the meeting.
- To best utilize the time available today, please line up at one of the microphones when you are ready to read your question.
- After reading your written question(s) at the microphone, deposit the card(s) in the box.

# Format of Today's Meeting

- Please write legibly! There are no limits on cards or questions (but read no more than two at a time unless instructed otherwise).
- If you do not wish to read your question aloud, but would like the facilitator to read it, turn the question(s) in at the box at the registration desk.
- Panelists may respond to questions during the meeting or may choose to defer a response pending further review.



# MHP Common Formulary

- A formulary that is common across all health plans for the current Comprehensive Health Plan contract.
- Required under Section 1806 of Public Act 84 of 2015.
- The Common Formulary only applies to pharmacy claims paid by Medicaid Health Plans - *it does not apply to Fee-for-Service paid claims.*

# Purpose of MHP Common Formulary

- Promote continuity of care.
- Reduce interruptions in a beneficiary's drug therapy due to a change in health plan.
- Streamline drug coverage policies and reduce administrative burden for providers.
- Facilitate collaboration among health plans.

# Website

- [Michigan.gov/MCOpharmacy](https://Michigan.gov/MCOpharmacy)
  - Medicaid Health Plan Common Formulary
  - Prior Authorization Criteria
  - Standard Prior Authorization Form
  - Step Therapy Criteria
  - Medicaid Health Plan Contact Information
  - General Frequently Asked Questions (FAQ's)
  - Public Comment Notice

## Common Formulary Mailbox

[MDHHSCOMMONFORMULARY@MICHIGAN.GOV](mailto:MDHHSCOMMONFORMULARY@MICHIGAN.GOV)



# MHP Common Formulary Project

- MDHHS convenes a MHP Common Formulary Workgroup of representatives from current contractors. *See next slide for more details.*
- The Workgroup makes its recommendations to MDHHS on drugs to include in the MCO Common Formulary along with related Utilization Management.
- MDHHS has final approval authority.



# MCO Common Formulary Workgroup

- The contracted Medicaid Health Plan's Medical Directors and Pharmacy Directors were invited to participate in the Workgroup.

# MCO Common Formulary Workgroup

(As of 8/15/2018)

<b>Organization</b>	<b>Representative</b>
Aetna/Coventry Cares	Michael Hammoud, Pharm.D
	Ted Cummings, RPh
BCC	Christopher Meny, RPh
	Shalena Easter, CPhT
HAP/Midwest	Geraldine Marks, Pharm.D
	Lorraine Peery, RPh
Harbor Health Plan	Jose Diaz-Luna, RPh
	Kin-Sang (Jason) Lam, RPh
McLaren	Teresa DuFresne, RPh
	Randall Taylor, Pharm.D
Meridian	Joshua Halperin, Pharm.D
	Sean Lancaster
Molina	Jennifer Walters, Pharm.D
	Cynthia Vansteenburgh, Pharm.D
Priority	Jamie Lyberg, Pharm.D
	Kara Springvloed
Total Health Care	Jill LeCheminant, Pharm.D
	Justin Bentley, CPhT
United HealthCare	Robert D. Schneider, RPh
	Jeanne Cavanaugh, Pharm.D
UPHP	Sheryl Waudby, RPh



# Workgroup Recommendations

- The recommendations made by the Workgroup to MDHHS included:
  - **Drugs** to include in the MHP Common Formulary
  - Utilization Management of included drugs
- The purpose of Utilization Management is to ensure the drug being used is medically necessary, clinically appropriate, safe for the patient, and a cost effective treatment option for the clinical circumstances. Examples of Utilization Management include, but may not be limited to:
  - Prior Authorization (PA), quantity limits, age/gender edits



# Drugs That Are Carved Out of Managed Care

Carve-Out drugs currently billed as a Fee-for-Service point-of-sale pharmacy benefit will remain unchanged, including but not limited to:

- HIV antivirals
- Behavioral Health/Psychotropics
- Select substance abuse treatments
- Drugs used to treat rare metabolic diseases
- Hemophilia Clotting Factor



# Michigan Pharmaceutical Product List (MPPL)

- The Medicaid Health Plans are contractually required to have a process to approve physicians' requests to prescribe **any medically appropriate drug that is covered under the Michigan Pharmaceutical Product List (MPPL).**
- Exception: Those products on the MPPL that are carved-out and billed at point-of-sale as a Fee-For-Service pharmacy benefit.

## Coverage Requirements

Contracted Health plans may be less restrictive, but not more restrictive, than the coverage parameters of the MCO Common Formulary.

- Health plans may cover additional drugs than those identified on the MCO Common Formulary
- Health plans may have utilization management tools that are less stringent than those on the MCO Common Formulary
- Health plans are still required to have a mechanism to cover medically necessary products on the MPPL

# MDHHS Public Health Initiatives

- Oral Contraceptives: 3-month supply per fill
- Tobacco Cessation products
- Naloxone nasal spray and vials to reduce effects of opioid overdose



# Products Covered As A Medical Benefit

- The Common Formulary includes drugs that are covered as an outpatient point-of-sale pharmacy benefit.
- Examples of products that are not identified on the Common Formulary because health plans **may continue to cover as a medical benefit including, but not limited to:**
  - Physician-administered injectable drugs
  - Vaccines
  - Intrauterine Devices

# Vitamins and Supplements

- Prenatal vitamins are available for coverage for women of child-bearing age.
- Vitamin D, Folic Acid and fluoride are available for coverage for select ages and conditions.
- Additional select vitamins are covered only for members in the Children's Special Health Care Services (CSHCS) program as indicated on the Michigan Pharmaceutical Products List (MPPL).



# Transition to Common Formulary

- All members' drug therapies were transitioned to the Common Formulary on September 30, 2016.
- *For additional safety and continuity of care reasons, Health Plans can continue to allow additional transition time based on their clinical judgement related to member utilization and any prescriber impact analyses.*

# Maintenance of Common Formulary

- The MHP Common Formulary Workgroup led by MDHHS meets on at least a quarterly basis to discuss new drug products and routine review of certain drug classes.
- The contracted Medicaid Health Plans' P&T Committees' recommendations are presented by their Workgroup representative(s)
- This is the fourth in-person Common Formulary Stakeholder Meeting that MDHHS has held, and MDHHS continues to support holding annual in-person stakeholder meetings on the Common Formulary

# Public Comment: Formulary Maintenance

- The public is encouraged to submit written comment on drug coverage determinations to be reviewed by MDHHS and the Workgroup during the quarterly meetings.
- The quarterly requests for public comment, including upcoming drug classes to be reviewed can be found at [Michigan.gov/MCOpharmacy](https://Michigan.gov/MCOpharmacy).
- Please refer to the MDHHS quarterly request for public comment for details.

# Frequently Asked Questions About MCO Common Formulary

**Q: Where can someone sign up for Public Comment notification?**

A: If you would like to receive the quarterly Public Comment notices please subscribe to the Medicaid ListServ. The subscription instructions are found here: [http://www.michigan.gov/documents/LISTSERV\\_127789\\_7.pdf](http://www.michigan.gov/documents/LISTSERV_127789_7.pdf)

This subscription-based e-mail service notifies subscribers of important news relative to the Michigan Medicaid Program, including Public Comment notices.

# Frequently Asked Questions About MCO Common Formulary

**Q: What is the workgroup review schedule in order for the public to provide comment? What is the best method to provide comment?**

**A: The MCO Common Formulary Workgroup review schedule piggybacks off of the FFS P&T Committee quarterly meetings. The quarterly Public Comment period will be posted on the MCO Common Formulary webpage at [Michigan.gov/MCOpharmacy](https://Michigan.gov/MCOpharmacy).**

# Frequently Asked Questions About MCO Common Formulary

**Q: How will updates to the formulary be communicated?**

A: The updated formulary will be posted after completion of the approval process following the MCO Common Formulary Workgroup meetings. Within the first pages of the updated formulary is a formulary change listing.



# Frequently Asked Questions About MCO Common Formulary

**Q: How will drug manufacturers present clinical information about drugs to the plans?**

A: There is no change. Drug manufacturers will continue to use the same process as prior to the MCO Common Formulary implementation. The Health Plans still have their own P&T Committees. This information should still be forwarded to the plans for review with their committees. The plans will then bring the information to the MCO Common Formulary Workgroup.

# Frequently Asked Questions About MCO Common Formulary

**Q: Is a drug that is listed on the Michigan Pharmaceutical Product List (MPPL) automatically covered on the MCO Common Formulary?**

**A: No, if a drug is on the MPPL found at [Michigan.fhsc.com](http://Michigan.fhsc.com) >> **Providers >> Drug Information >> MPPL and Coverage Information**, but not covered on the MCO Common Formulary, the Health Plans must have a means to cover that drug through a non-formulary prior authorization process. Refer to the second page of the Medicaid Health Plan Common Formulary found at [Michigan.gov/MCOpharmacy](http://Michigan.gov/MCOpharmacy).**

# Frequently Asked Questions About MCO Common Formulary

**Q: Can plans cover a drug before it is on the MPPL?**

A: New drug products are usually on the market for 6 months before considered for formulary addition. Due to the ability to be less restrictive, plans could choose to cover a drug prior to it being put on the MPPL. A non-formulary prior authorization can always be requested for medical necessity coverage considerations.

# Frequently Asked Questions About MCO Common Formulary

**Q: What type and how much advanced notice do members/beneficiaries receive when a product's coverage is changed?**

**A:** The Medicaid Health Plans can be less restrictive than the Common Formulary, so some plans may choose to grandfather coverage of their members for a period of time or for certain members/diagnoses. If a more restrictive coverage change is implemented, the Plans are contractually required to provide the member with an adverse action notice at least 12 days in advance. To prevent medication disruption/access issues, most Plans provide notice to both the prescriber and member at least 30, 60, or 90 days in advance (*in particular if they will not be grandfathering the coverage*)

# Frequently Asked Questions About MCO Common Formulary

**Q: How soon after coverage changes on the Common Formulary does it impact a member/beneficiary?**

A: If the Workgroup votes to change coverage of a product to be more restrictive or non-covered, the enrollee may have to get prior authorization for continued coverage. The Plans have at least 60 days to code coverage changes following Workgroup vote. *Note: Plans can be less restrictive such as offering a 90-day grandfather of coverage.*

# Frequently Asked Questions About MCO Common Formulary

**Q: Is the FFS PA criteria the same as the published  
MCO Common Formulary PA Criteria?**

**A: No, the criteria may differ.**

# Frequently Asked Questions About MCO Common Formulary

**Q: Are each of the plans going to have the same PA length of approval?**

**A: The Prior Authorization (PA) Duration of Approval is identified in the PA Criteria document found at [Michigan.gov/MCOpharmacy](https://www.michigan.gov/MCOpharmacy). Plans are allowed to be less restrictive.**

# Additional Questions/Answers

## MCO Common Formulary

**Q: Are medical benefit drugs listed on the MPPL?**

*A: Neither the MPPL nor the Medicaid Health Plan Common Formulary list medical benefit drugs. Medical benefit drugs are drugs that are billed on the professional or institutional claim format and are administered by a health care provider in a clinic, office or outpatient hospital. The MPPL and Medicaid Health Plan Common Formulary list drugs that are typically covered as a pharmacy benefit. A pharmacy benefit includes drug billed by a retail pharmacy or other outpatient pharmacy that the individual either self-administers or is safely administered in the home setting by a trained family member or caregiver.*



# Additional Questions/Answers

## MCO Common Formulary

**Q: How are vaccines covered?**

*A: Vaccines are identified in the cover pages of the Medicaid Health Plan Common Formulary as a medical benefit that are therefore not listed in the formulary. Plans may be less restrictive and also cover them as a pharmacy benefit. The Department has encouraged the Plans to consider covering vaccines as a pharmacy benefit to align with Fee-For-Service pharmacy vaccine coverage. Please always refer to the individual health plan formulary for more details .*

# Additional Questions/Answers

## MCO Common Formulary

**Q: Is delivery device and operational function of a product considered when evaluating inhaled medications for the Common Formulary? What about devices that require training?**

*A: When special consideration of ability/training to use a device must be considered for a specific patient the individual plan will consider that as part of the medical exception review.*

# Additional Questions/Answers

## MCO Common Formulary

**Q: There was a question raised about the future sustainability of the Common Formulary, including**

- 1) Any comments on current hurdles?**
- 2) Are clinical and/or financial outcomes being evaluated?**

*A: The Common Formulary was just fully implemented September 30, 2016. The Workgroup is now in the process of performing annual drug class evaluations which include comprehensive clinical evaluation and financial impact considerations. At this time the Department doesn't have concerns about the sustainability of the Common Formulary.*

# Additional Questions/Answers

## MCO Common Formulary

**Q: Are you working on a Common Formulary for specialty/biologic products?**

*A: There is no project for a Common Formulary for specialty/biologic drugs at this time.*

# Additional Questions/Answers

## MCO Common Formulary

**Q: Is the Managed Care Health Plan Common Formulary saving taxpayer dollars?**

*A: There has not been an evaluation of cost savings of this type. The goal of the Medicaid Health Plan Common Formulary was, and remains, to relieve provider burden and to improve continuity of care. It came about to address medical community concerns around the need to streamline drug coverage policies for Medicaid and Healthy Michigan Plan members and providers.*

# Additional Questions/Answers

## MCO Common Formulary

**Q: Does the State have influence to assure pharma has access to the Health Plans?**

*A: The Department has not changed this process. Pharma can continue to meet with the Health Plans prior to the Workgroup meetings as well as provide Public Comment to the Department quarterly. Public Comments that are received are shared with the Workgroup members.*

# Additional Questions/Answers

## MCO Common Formulary

**Q: Is there transparency, like availability of the names of the Therapeutic Sub-Groups/Working Committee members reviewing drug classes?**

*A: There is a random assignment of sub-groups which consist of two or three plans who are assigned to present their drug class review to the Workgroup. There is not a list published since there is an ongoing rotation of the assignments. Information provided through Public Comment is shared with all of the sub-groups and entire Workgroup for them to consider when voting on recommendations.*

# Additional Questions/Answers

## MCO Common Formulary

**Q: Is there guidance on who to contact or forward information to for medications covered under medical benefit side of the plan for both FFS and the Medicaid Managed Care Health Plans?**

*A: The Department is currently in the process of updating its website to further clarify medical benefit coverage for the FFS program. This includes the identification of Medicaid Health Plan medical benefit carve outs. Questions regarding FFS medical benefit questions can be directed to [MSAPolicy@michigan.gov](mailto:MSAPolicy@michigan.gov)*



# Additional Questions/Answers

## MCO Common Formulary

**Q: Continuity of care has been mentioned between Medicaid Managed Care Health Plans – What about continuity of care between FFS Medicaid to the Medicaid Managed Care Health Plans since members are transitioned to Medicaid Managed Care?**

*A: The Medicaid Health Plan Common Formulary was created to provide continuity between the Health Plans. The Medicaid Health Plans do consider transition of care coverage requests for members newly enrolled into managed care.*

# Additional Questions/Answers

## MCO Common Formulary

**Q: Hemophilia drugs are Carved-Out now, is there any discussion to carve them back in?**

*A: The Department explained that it is unlikely that clotting factor will be carved back in due to the small population that is spread throughout the state. These variables make it difficult for rate setting purposes.*

# Additional Questions/Answers

## MCO Common Formulary

**Q: Is there any consideration of opening the Medicaid Health Plan Common Formulary Workgroup meetings or posting the meeting minutes?**

*A: At this time the Department is not considering making the Workgroup meetings open to the public, however the Department strongly encourages public comment from stakeholders. Public Comment is provided to the Workgroup members prior to each meeting for their consideration. The results of the Workgroup meetings are then posted on the website, both at the beginning of the Medicaid Health Plan Common Formulary, and in the link History of Formulary Changes. Please check the website for Department approved changes. Additionally, the Department remains committed to an annual in-person meeting with stakeholders.*

# Additional Questions/Answers

## MCO Common Formulary

**Q: Where can someone sign up for Public Comment notification?**

*A: If you would like to receive the quarterly Public Comment notices please subscribe to the Medicaid ListServ. The subscription instructions are found here: [http://www.michigan.gov/documents/LISTSERV\\_127789\\_7.pdf](http://www.michigan.gov/documents/LISTSERV_127789_7.pdf). Please select either “Medicaid – Pharmacy” or “Medicaid – MHP” under the Medicaid Services section. This subscription-based e-mail service notifies subscribers of important news relative to the Michigan Medicaid Program, including Public Comment notices.*

# Questions

Are there any additional questions?