

PARTNERSHIP



HEALTHPLAN
of CALIFORNIA

***PARTNERSHIP HEALTHPLAN OF CALIFORNIA (PHC)
PHARMACY UPDATE***

NUMBER 04 - 05

November 2005

Introduction

Please keep these updates on file in your Pharmacy Procedure Manual as they will contain valuable information regarding formulary changes and additions, plan parameter changes, billing procedures, the Treatment Authorization Request (TAR) process and other necessary information. Please refer to your Pharmacy Procedure Manual as most of the topics contained in this update are explained in detail in the Manual. If you have not received your updated copy of the Pharmacy Procedure Manual, you may download it from the PHC website at www.partnershiphp.org or contact the Pharmacy Department at (707) 863-4414 to request a copy.

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Changes in the Pharmacy Department.

This last quarter has been a very eventful one in the PHC Pharmacy Department. First, it was with great regret that we accepted the resignation of John Krainert who has decided to relocate to St. Louis for personal reasons. As everyone who has ever interacted with John knows, he has served PHC members and the community for over 30 years with the utmost of fairness and integrity. He has been a tremendous contributor to the overall health of those medically underserved persons in our area and we will truly miss John. To make matters worse, our part time Clinical Pharmacist, Kathleen Kelly also resigned to pursue full time employment. Kathleen has been at PHC for over 6 years and has served our members and providers with extreme dedication. Fortunately, we have filled John's position of Pharmacy Director. Many of you may already know Gary Louie, who has served on the PHC P&T Committee as well as a clinical consultant working on provider reports with PHC. Gary was trained at UCSF and comes from a background with PharMerica.

Message from the Pharmacy Services Director

The Partnership HealthPlan of California (PHC) has impressed me over the past 10 years with its commitment of quality patient care; I am excited in being part of this team as the Pharmacy Services Director.

Since my training from USC School of Pharmacy and the UCSF Clinical Residency, I have been able to help develop clinical pharmacy programs with Schools of Pharmacy in Massachusetts, Colorado and Northern California. For the past 17 years, as a consultant in long term care I was able to learn much of the intricacies and challenges in providing pharmaceutical care to our seniors in a managed care environment. My hope is that these past experiences will continue to bring a clinically relevant perspective to our Pharmacy Service program.

One of my objectives is that our Pharmacy Service will continue to provide the highest quality of pharmaceutical care based on sound clinical practice guidelines and fiscal responsibility.

The Medicare Part D program is a perfect example of a situation that will challenge us. It will be an excellent opportunity for us to keep our communications open and constant. I look forward to those interactions with you and to working in helping bring the best level of care possible to our members.

On a personal note, I am a Benicia resident having lived here with my wife for the past 25 years and a proud father of three sons. Raised in Idaho (yes, the State famous for the Potatoes) and coming to a State famous for wine; I find myself like a "kid in a candy store" when it comes to any discussion of food and wine. I continue to be amazed at how simple ingredients (food and wine) can evoke such bonding, passion and pleasures in life amongst strangers, friends and family.

Medicare Part D Prescription Program

Effective January 1, 2006 PHC dual-eligible PHC/Medicare members will no longer have their outpatient drug benefit under PHC. This will affect approximately 13,000 PHC members who have Medicare coverage. Their new drug benefit will be administered by the Centers for Medicare and Medicaid Services (CMS) contracted Prescription Drug Plans (PDPs) or a Medicare Advantage Prescription Drug Plan (MA-PDP).

CMS will be sending members information on enrolling into the Medicare Part D prescription drug program (PDP) and how to choose a PDP (as there will be more than 1 to choose from). If PHC members do not enroll and choose a PDP by December 31, 2005, they will automatically be enrolled and a PDP will be chosen for them. The following are a few highlights of the new prescription benefit through Medicare:

- PHC members must be entitled to Medicare Part A and/or enrolled in Part B
- PHC/Medicare members will be exempt from monthly premiums
- Members will have drug copays of \$1-\$2/\$3-\$5 (generic/brand)-not paid for by PHC. These copays will be the responsibility of the member.
- Members who reside in a long term care (LTC) will be exempt from drug copays
- Certain drugs are excluded from the Medicare drug benefit. PHC will cover selected excluded drugs for PHC members when medically necessary
- PHC will still pay for PHC member's other health costs not covered by Medicare

Please advise your PHC members with questions to contact Medicare at 1-800-633-4227, the Health Insurance Counseling and Advocacy Program at 1-800-434-0222 or lastly PHC at 1-800-863-4155 for more information or to choose a PDP. Please advise your PHC members with Medicare coverage NOT to opt out of the new Medicare prescription drug plan as they will no longer have prescription drug coverage from PHC beginning January 1, 2006.

Healthy Kids Program

The HealthPlan has been granted its Knox Keene License, allowing the Healthy Kids Program to proceed. The Healthy Kids Program is being modeled after successful programs in Santa Clara and Santa Cruz Counties. These programs offer low cost health insurance funds by community organizations to low income children who do not qualify for state supported programs such as Medi-Cal and Healthy Families. PHC will offer the program in four counties, Napa, Solano, Sonoma and Yolo Counties. A modest enrollment goal has been set for December 1st, which will meet the requirements for funding from the California Endowment. The bulk of the initial enrollment will occur around February. A number of children being placed in the program will be rolled over from the Cal Kids benefit.

Formulary for Healthy Kids Program:

The following are highlights of significant changes to the PHC formulary for Healthy Kids Program:

a) HIV/AIDS drugs and psychotherapeutic drugs are not carved out and are a covered benefit for members under Healthy Kids Program.

b) OTC Medications are not a covered benefit for members under Healthy Kids Program, unless an exception is noted. The following OTC medications are exceptions and are covered:

- Insulin
- Loratadine tablets and liquid (Alavert, Claritin)
- Nicotine Patches (Nicoderm)
- Omeprazole 20mg tablets (Prilosec OTC)

c) Treatment Authorization Requests (TAR): Claims for non covered drugs processing will use the form labeled and identified for Healthy Kids Program (see attached- this form may be copied and used or obtained online from PHC website).

Pharmacy Focus Group

Thank you to all those pharmacy representatives who attended the August 25, 2005 Pharmacy Focus Group Meeting at the Garden Hilton Hotel in Fairfield. It was a well attended meeting with discussions centering around the Pharmacy provider satisfaction survey results and the MediCare Part D program. PHC appreciates the comments from the pharmacy providers regarding TAR processing and MedImpact billing, pricing and formulary issues. You can find the questions discussed/addressed in the attached minutes under section VI. Open Discussion.

Formulary Additions / Changes

As a result of the October 27, 2005 Pharmacy & Therapeutics (P&T) Committee meeting the attached formulary additions and changes were accepted. Effective date for these additions and changes will be **January 1, 2006.**

Partnership HealthPlan of California
PHARMACY FOCUS GROUP
Meeting Minutes
8/25/2005

Attendees:

Monica Lisec, Pharm. D.; Pamela Dennis; Rita Dyksten; Maggie Lopez; Jerry Hiraga, R.Ph.; Amber West; Ellie Nokes, R.Ph.; Danielle Duncan; Christy Fishleigh; Lori Mossett; Mary Olson, R.Ph.; John Smiley, R.Ph.; Sandy SnoDamon; Bill Simpson, R.Ph.; Charles Walker, Pharm. D.; Renee Fowlsten; Cathy S. Nicolas; Pharm. D.; Candice Suratos; Pharm D.; Maria Soto; Mindy Guardado; Melissa Walker; Mark Smith, Pharm D; Leah Fight; Patti Guijosa; Pam Roy; Lisa Shelly, Pharm. D; Ed Shelly; Thomas Dworkis, Pharm. D.; Lanchi Tran, R.Ph.; Becky Wong. R.Ph.; Sue Stuckey; Ty Smith; John Bitterman; Zita Schmitt.

PHC Employees – Jack Horn; Chris Cammisa, M.D.; Cindi Ardans; Debbie Shafer; Eugene Briones; John Krainert, R.Ph.; Kathleen Kelly, Pharm D.; Linda Melsheimer; Maria Marshall; Mary Kerlin; Patricia Kerr; Paula Frederickson; Peggy Hoover; Terrie Stanley; Amrit Singh.

I. Introduction and Objectives

The meeting started at 6:45 pm with Dr. Cammisa, the Medical Director for Partnership HealthPlan of California (PHC) welcoming every one and introducing PHC employees. Objectives of the meeting included understanding the PHC Pharmacy Benefit, addressing issues from the Pharmacy Provider Survey and a power point presentation of the Medicare Part D Prescription Program.

II. PHC Pharmacy Benefit

The pharmacy director, John Krainert gave a brief overview of the pharmacy benefits. He informed the group that the Virtual Connection Network (VCN), a program that provides available clinical data on patients, is available to the physicians and pharmacy providers are welcome to sign up through our Provider Relations department.

III. MedImpact

Sue Stuckey, the Director for Pharmacy Network Development and Ty Smith, PHC's Account Manager were present. Ty Smith informed the group that the electronic Coordination of Benefits (COB) is in process. MedImpact is pilot testing with a few healthplans and has not received feedback yet. A target date has not been finalized yet.

IV. Pharmacy Provider Survey

The 3 highest and 3 lowest scoring responses to questions of the Pharmacy Satisfaction Survey were discussed at the meeting. Next survey is due in April 2006.

V. Medicare Part D Prescription Program

A power point presentation (attached) was presented to the group. The following questions were brought up by the group for Center for Medicare and Medicaid Services (CMS):

1. Do pharmacies have to collect the co-pays?
2. Why are Medi-Medi's allowed to switch every month? Is it easy to switch?
3. Will there be an easily accessible on-line formulary?
4. Part D ID Cards – to remind members to bring their ID cards to pharmacies. A suggestion was made to add this reminder in the member newsletter.

The group was informed to forward any other questions to PHC by email, fax or phone as follows:

Email: kkelly@partnershiphp.org
Fax: (707) 863-4330
Phone: (707) 863-4414

VI. Open Discussion.

The following questions were addressed/discussed by the group and were resolved with an answer in italics:

1. Is there a provision in the Medicare Part D program for consulting services? *It depends on the PDP contract. It may be included in the pharmacy reimbursement or may be separate. Each PDP is required to have a medication management program.*
2. How to bill COB when member has a commercial as primary and Medi-Cal as secondary? *a) Bill primary commercial first
b) After adjudication, bill MedImpact using Universal Claim Form (UCF).
Procedure is in the PHC Pharmacy Manual.*

PHC will wait to hear from MedImpact for on-line billing

3. Why is system requiring a group # for some of PHC members? *There could be glitch in the system – Group #'s are not required to process claims. Please contact PHC if you experience this problem.*
4. When obtaining clinical justification from prescribers, to submit TARs, common responses are:
 - MD – I'm the doctor and I prescribed it – fill it
 - Patient – My doctor said I need it give it to me.*Tell MD that the HealthPlan requires a formulary medication or a reason as to why the formulary medication won't be adequate for this patient (DOC – Diagnosis, Other medications tried and Clinical Justification.) PHC is also conducting Academic Detailing visits with the physicians on a regular basis in which cost effective prescribing and prescribing formulary medications are discussed. Recommendation was to continue doing what PHC is doing.*
5. Do the formulary changes get communicated to the MD's? *Yes through the Practitioner Bulletin and is reviewed during academic detailing.*

6. Have you considered changing the TAR form and allocating a place for MD/prescriber to enter DOC? *We have considered changing the form periodically but have adapted to the CA Form. PHC will reconsider this.*
7. Are your questions answered by MedImpact and PHC? *Pharmacy providers do not want to ask multiple specifics to get information. They would like to go right to the person that would be able to answer their question. The PHC phone tree system was explained and the numbers are 1-800-863-4155, option 2 for member services and option 5 for pharmacy related questions. The group was also informed to contact MedImpact regarding any formulary drug questions and to contact PHC for TAR issues.*
8. Why do pharmacies get message “NDC not covered” when drug is covered? *In situations like this call MedImpact customer service and fax copy of label. MedImpact will work with the First Data Bank to get this NDC loaded into the system. This usually pertains to OTC items or new generics of legend items on Formulary.*
9. Members sometimes call the pharmacies and say that they called PHC and PHC has not received the TAR. TAR’s are then faxed multiple times; can members be blocked from calling PHC regarding TAR’s? *No, PHC must respond to members. Emergency authorizations for TARs outside PHC’s normal business hours can be requested from MedImpact who may authorize up to a 5 day supply of medication. PHC will also authorize a retro TAR for a non-formulary medication if both PHC and MedImpact are unavailable. Ty Smith informed the group that MedImpact is now available 24 hours a day.*
10. Drugs that are not required to use generic – Dilantin and Neoral. – *For MAC pricing issues contact MedImpact @ 1-800-788-2949 or Mac@medimpact.com.*
11. Injectables by mail order – Loss of business. – *PHC has contracted with Walgreens Specialty Pharmacy (WSP) for self-injected drugs.*
12. What is PHC’s future regarding Mail Order? *This will not be mandated by PHC and we have a few members utilizing this at this time. It seems like that most members are happier using the local pharmacies.*
13. Fax # (707) 863-4330 is sometimes busy. Is there a back-up #? *The main line is not a fax machine and it should not be busy. Back-up # is (707) 863-4118.*
14. CMSP – Effective 10/1/2005, PHC will no longer be a provider for Solano County CMSP members. New provider will be Blue Shield and claims will still process to MedImpact using different provider #.
15. Healthy Kids Program – PHC will be starting a Healthy Kids program in January 2006.
16. I/2 Tablet Substitution is causing more work for pharmacies to do TARs for example with Lipitor. *PHC’s medical director informed that the change has saved PHC more than a million dollars annually. A TAR needs to be submitted for members who cannot split the tablets. PHC’s CEO informed that the changes were necessary due to the recent budget crisis.*

Meeting Adjourned at 8:30 p.m.

Minutes by: Amrit Singh

PHC FORMULARY: ADDITIONS / CHANGES
Effective January 1, 2006

DRUG	CLASS	FORMULARY STATUS	RESTRICTIONS / LIMITS
ADDITIONS:			
Zetia (Ezetimibe) 10mg tablets / Merck/Schering - Plough	Anti - hyperlipidemic Agents	STEP THERAPY EDIT (STE)	STE: Previous use of a formulary statin, Zetia or Vytorin in the last 120 days
Vytorin (Ezetimibe/Simvastatin) 10-10mg, 10-20mg, 10-40mg, 10-80mg tablets / Merck/Schering - Plough	Anti - hyperlipidemic Agents	STEP THERAPY EDIT (STE)	STE: Previous use of a formulary statin, Zetia or Vytorin in the last 120 days
Tricor (Fenofibrate) 48mg, 145mg tablets / Abbott	Anti - hyperlipidemic Agents	FORMULARY	
Subutex (Buprenorphine) 2mg, 8mg Suboxone (Buprenorphine / Naloxone) 2-0.5mg, 8-2mg sublingual / Reckitt Benckiser	Narcotic Agonist – Antagonist Analgesic	FORMULARY CARVE OUT DRUG	Pharmacy must bill State Medi-Cal