COLORADO
Department of Health Care Policy & Financing

MINUTES OF THE MEDICAID PROVIDERS RATE REVIEW ADVISORY COMMITTEE

The Colorado Department of Health Care
Policy and Financing
303 East 17th Avenue, 7th Floor Conference Room

Friday, April 29, 2016
9:00 AM – 12:00 PM

1. MPRRAC Members Present (in person or via phone)

Rebecca Craig, Gigi Darricades, Rob DeHerrera, Bruce Densley, Tim Dienst, Jennifer Dunn, Sue Flynn, Lisa Foster, Deborah Hart, Dixie Melton, Wilson Pace, Tom Rose, Tia Sauceda, Art Schut, David Smart, Murray Willis, Jody Wright

2. Meeting Minutes

Minutes of the February 19, 2016 meeting were approved by the members.

3. Remarks from Medicaid Director

Medicaid Director, Gretchen Hammer, announced that the Colorado Department of Health Care Policy and Financing (the Department) will publish the 2016 Medicaid Provider Rate Review Analysis Report on the Department website, and email the report to the Joint Budget Committee and committee members, on May 2, 2016. The report will not include recommendations. The next meeting of the committee will be June 17, 2016, and the committee will begin to think through criteria to be used to guide the recommendation phase of the work, as well as develop high-level recommendations. The Department requests that the committee develop high-level recommendations in June so that the Department can align with the state's budget cycle. Detailed recommendations may be developed post-June. Concurrently, Department staff will begin research on year two's rate analysis and data.

4. Non-Emergent Medical Transportation

Department staff gave a data presentation of Non-Emergent Medical Transportation detailing expenditures, service description, demographics, utilization statistics, access metrics and potential quality sources.

5. Emergency Medical Transportation

Department staff gave a data presentation of Emergency Medical Transportation detailing expenditures, service description, demographics, utilization statistics, access metrics and potential quality sources.

Committee Comment:
Tim Dienst commented that EMT services are a public good that provides the same quality and care of service to everyone and cannot exclude anyone from their service and that EMT staff are on-call 24 hours a day, 7 days a week. He noted expansion is impacting their ability to pay bills and in the long-term will impact quality and access to care, especially in rural areas.

Public Comment:
Ken Shallenberger commented that EMS is less of a safety net for the Medicaid population and more of a primary option, and that it does not pay to pick up a Medicaid patient. Ken noted that EMT services are only reimbursed when a Medicaid patient is transported to a hospital. He also stated that expansion in rural areas is putting a strain on services.

Christopher Montera, representing Eagle County Paramedic Services (ECPS), commented that Medicaid patient billing quadrupled since the advent of the Affordable Care Act (ACA) and un-reimbursable care has caused a strain on their system. He said that Medicare reimburses ECPS at a higher rate ($.45 on the dollar) than Medicaid ($.07 on the dollar). Chris said ECPS wants to be a part of the solution to finding alternate destinations for patients.

Tim Dienst read a comment from Kathleen Mayer, representing Flight for Life Colorado: Air medical programs' fixed costs are a high percentage of her budget. Aircraft leases, fuel, insurance and costs of readiness are typically 70% to 80% of budget and her experience is that Medicaid reimbursement has fallen far behind the costs to provide these services.

6. Physician Administered Drugs

Department staff gave a data presentation of Physician Administered Drugs detailing expenditures, service description, demographics, utilization statistics, access metrics, and potential quality sources.

Public Comment:
Deborah Profant, representing Alkermes, commented regarding the findings, statistics, costs and reimbursement associated with the drug Vivitrol. Vivitrol, a once a month injectable, which treats opioid and alcohol dependence, should be added as a pharmacy benefit.

Kristin Pareja, representing Otsuka, commented regarding procurement under the pharmacy benefit. She said there are challenges under medical billing for reimbursement for new drugs since J codes are not designed to be product and dose specific. She detailed other issues, including that it can take up to a year for a J code to become available for a new drug and that a J code may cover a variety of drugs with a wide range of prices. Christy said coverage of long acting injectables should be under pharmacy benefit.

Trisha Bush commented on a situation in rural Colorado where Medicaid clients had no access

to long acting injectables and the burden of providing the medication to clients falls on providers, causing a financial burden. She suggested the committee should look at the Medicaid formulary and allow long acting injectables to be covered as a pharmacy benefit and to be administered in out-patient centers. Currently medications can only be administered in a long-term care facility or home, and travel to the home is a time burden. She suggested making long acting injectables a pharmacy benefit so that clients can access the medication and community mental health centers can administer the medication.

Becky Howard commented on the effectiveness of long acting injectables in preventing hospitalizations, etc. and said they should be part of the pharmacy benefit.

Josh Bruin commented with regard to Vivitrol and supports making it a pharmacy benefit in addition to certain anti-psychotic drugs. He said Vivitrol is a crucial piece of the process used to fight opioid addiction and it would be helpful if it were a pharmacy benefit. He said this would assist in the development of infrastructure to expand access and curb the growth of opioid deaths.

> Department Comment: The pharmacy benefit is managed under our Clinical Office, under the guidance of Medical Director, Judy Zerzan. Understanding stakeholder concerns, the Department commits to provide the committee with the appropriate level of background information. A memo will be prepared that includes budget and legal implications and the regulatory path forward. The memo will be an informational document only, and will not communicate any particular perspective of the department.

Jacob Hansmeier commented that Colorado already covers other injectables under the pharmacy benefit and we could probably mirror that with other products. He would also like to see rates increased or services moved to the pharmacy benefit.

Elizabeth Cookson commented that this is also an issue for Federally Qualified Health Centers (FQHC), community mental health centers, integrated care, and the care of homeless populations. She stated it wouldn't be if long acting injectables were a pharmacy benefit.

Doyle Forrestal commented that losses in FY 2014-15 involving injectables were about $700,000, from a total of 13 community mental health centers.

Jeff Harnsberger commented that long acting injectables improve the quality of life for clients and having them as a pharmacy benefit will improve outcomes. He said he did not support long acting injectables as a specialty pharmacy service because making long acting injectibles a specialty pharmacy service would increase the cost and decrease the access. They should be available at all pharmacies.

Larry Martinez commented that barriers to long acting injectable access have led to a decrease in clinical outcomes within patient populations and an increase in cost of overall care. He would like the committee to recommend moving this class of long acting injectables medications to a prescription benefit versus a medical benefit.

7. Next Steps

The Department will publish a Frequently Asked Questions document soon for clarification on the rate review process. The Department will also work with committee members to set up a webinar and workgroups ahead of the June 17th meeting.

8. Meeting Adjourned