

**Iowa Medicaid Pharmaceutical and Therapeutics Committee
Minutes**

Date: December 8, 2005

Chair: Michael A. Flaum, M.D.

Time: 9:45 a.m. to 4:55 p.m.

Location: Iowa State Capitol, Room 116, Des Moines, Iowa

Committee Members Present: Bruce Alexander, R.Ph., Pharm. D., BCPP; Bradley J. Archer, M.D.; Michael A. Flaum, M.D.; Carole A. Frier, D.O.; Hayley L. Harvey, DDS, MS; Matthew Osterhaus, R.Ph.; Susan Purcell, R.Ph, CGP; Priscilla Ruhe, M.D.; and Mary Winegardner, PA-C, MPAS

Iowa DHS Staff Present: Susan Parker, Pharm. D., Pharmacy Consultant

Iowa DHS Staff Absent: Brad Horn, Attorney General's Office

Iowa Medicaid Enterprise (IME) Staff Present: Thomas Kline, D.O., Iowa Medicaid Medical Director; Tim Clifford, M.D.; John Grotton, R.Ph.; Sandy Pranger, R.Ph.; and Julie Bueno, R.Ph.

Vice-Chairperson Susan Purcell called the meeting to order.

- I. Susan Purcell asked that each committee member, DHS staff, and IME staff introduce themselves to the public. Committee members Dr. Flaum, Dr. Archer, and Matthew Osterhaus have not yet arrived due to inclement weather.

- II. The public comment speakers were:

<u>SPEAKER</u>	<u>SUBJECT</u>
Dr. James Patten, Medical Director Family Planning, Iowa Dept. of Public Health	Contraceptives
Dr. Marc Salit, Vice-President of Scientific Affairs Baxter Bioscience	Aralast, Gammagard, Avate, Feiba
Andrew Shim, Scientific Director Novartis Pharmaceuticals	Zelnorm, Lamisil, Famvir, Diovan
Dr. Howard Rutman, Medical Director Taro Pharmaceuticals	Ovide
Dr. Dennis Dornbier James T. Butler, Account Director Sepracor	NuvaRing Lunesta
Dr. Michael Jacoby Dr. Lynn Rankin, Dental Neurologist Broadlawns	Maxalt, Topamax Topiramate, Topamax, Lyrica, Midrin
Jodi Tomlonovic, Executive Director Family Planning Council of Iowa	Contraceptives

Danny Icenhour, King Pharmaceuticals	Altace, Sonata, Skelaxin
Dr. Patrick Maloney, Regional Scientific Manager Takeda Pharmaceuticals	Rozerem
Lyndon Braun, Scientific Affairs Liaison Santarus, Inc.	Zegerid
Dave McBride, R.Ph. Novo Nordisk	Analog Insulins
Ann Speiser, Ph.D., Scientific Affairs Liaison Ortho McNeil Janssen Scientific Affairs	Levaquin, Topamax
Sue Watson, Director of Out-Country Research Ortho Biotech	Procrit
Vic Verni, Executive Director Epilepsy Foundation of North IL, IA & NE	Epileptic Drugs
Michael McGuire, Medical Science Liaison Bristol Myers Squibb	Abilify
Tim Collins, Medical Science Manager Bristol Myers Squibb	Plavix
Monica Osse, President of Open Minds Representing Iowa National Alliance on Mental Illness	Schizophrenia
Andrew Sperling, Director, Legislative Advocacy National Alliance on Mental Illness	Psychiatric Drugs
Nancy Bell, Doctor of Pharmacy, Pfizer	Lyrica, Neurontin
Carrie Shaffer, Alpharma Sales Representative	Kadian
Jackie Travis, R.Ph., Medical Liaison Roche Laboratories	Boniva
Krishana Patel, Schering-Plough	(Available to answer questions on Asmanex)
Dr. Tatyana Kapustyan, Abbott Laboratories	Humira
Hoa Pham, Amgen Scientific Liaison	Enbrel, Aranesp
Jay Gandhi, Sanofi-Aventis	Ambien CR
Dr. George Clavenna, Ophthalmologist	Wish list including Restasis, Zygron, Zylid, Zatadore, Isopto Hyocine, etc.

Dr. Flaum, Dr. Archer, and Matthew Osterhaus arrived during the public speaking.

- III. The September 1st open session minutes were reviewed. Matthew Osterhaus made the motion to approve the minutes. Dr. Ruhe seconded the motion. All Committee members approved with none opposing or abstaining.
- IV. Dr. Clifford gave an update on supplemental rebates and the preferred drug list. This year, Iowa has joined Maine and Vermont in negotiating with the drug companies. Other states will be joining. Although there will be some initial differences between state programs, there is common ground. There should be very little turnover with the preferred drug list. Fifty-one drugs will be reviewed today, which is 1.6% of the preferred drug list. A lot of these represent trades, where one product in a class will become preferred and another becomes non-preferred. One overall aspect in changes is as the preferred drug list matures, in some categories the State will be forced to bargain into restricting the number of preferred choices. The manufacturers attach more value of having fewer preferred choices available, so the amount of savings has to be weighed. There were some unexpected large savings opportunities that will be

discussed in the closed session. A number of final offers were sent out to several companies in several preferred drug list categories. Oral feedback has been received from some of the manufacturers. Because the prices have come down substantially and there is not a lot of room to go any lower, Dr. Clifford said that the overall strategy in terms of promoting long-term stability in working with the other states was to sign three-year contracts on most of the products. Matthew Osterhaus asked what the volume would be on changes. Dr. Clifford said the largest would be in the proton pump inhibitor category. He talked about Medicare Part D. Dr. Flaum asked about the coalition of other states in that their preferred drug lists should be similar even though each state has different preferred drug lists. Dr. Clifford said that each state had different laws on how they can treat certain preferred drug list categories and particular drugs. Dr. Clifford explained the negotiation process on accepting offers and bids.

- V. Susan Parker gave an update on prior authorization criteria. The Committee held a discussion on prior authorization.
- VI. Matthew Osterhaus made a motion to go to closed session. Bruce Alexander seconded the motion. A roll call vote was taken and all were in favor.

Open session reconvened at 2:42 p.m.

- VII. Dr. Clifford began the review of the Preferred Drug List draft by covering categories ACE Inhibitors and Thiazide Combos through Anticoagulants. Under the ACE Inhibitor category, the recommendation was to make Aceon a non-preferred drug and Altace will remain a preferred drug. Under the Angiotensin Receptor Blocker category, Avapro will become a non-preferred drug. Micardis will be a preferred drug as long as the last supplemental rebate offer is included. Under the Antiasthmatic – Nasal Steroids category, Beconase AQ would become a preferred drug. Under the Antiasthmatic – Steroid Inhalants category, Asmanex would become a preferred drug. Under the Anticoagulants category, Arixtra would become a preferred drug. The Committee held a discussion. Matthew Osterhaus made a motion to accept these recommendations as reviewed by Dr. Clifford. Bruce Alexander seconded the motion. All were in favor with none opposing or abstaining.
- VIII. Dr. Clifford reviewed Preferred Drug List categories Anticonvulsants through ARBs and Diuretics. Under the Anticonvulsants category, Equetro would become a preferred drug. Dr. Kline reviewed the new drug, Lyrica, which is being recommended as a preferred drug under the Anticonvulsants category. Under the Antiemetic – 5-HT3 Receptor Antagonists/Substance P Neurokinin category, Kytril would be a non-preferred drug and Emend would be a preferred drug. Dr. Kline reviewed the new drug, Mycamine, which is being recommended as a preferred drug under the Antifungals – Assorted category. Under the Antihistamines – Non-Sedating category, Zyrtec, Clarinex and Clarinex Reditabs would all be preferred drugs. Under the Antihistamines – Non-Sedating/Decongestants category, Zyrtec-D would be a preferred drug. Under the Anti-Psoriatics – Biologicals category,

Raptiva would be a preferred drug. Under the ARBs and Diuretics category, Avalide would be a non-preferred drug and Benicar HCT would be a preferred drug. Micardis HCT would remain as a preferred drug, assuming the recent offer is finalized. Dr. Kline reviewed the new drug, Parcopa, which is being recommended as a non-preferred drug in the Anti-Parkinsonian Drugs category. The Committee held a discussion. Dr. Frier made a motion to accept these recommendations as reviewed by Dr. Clifford. Matthew Osterhaus seconded the motion. All were in favor with none opposing. Dr. Ruhe abstained.

IX. Dr. Clifford reviewed Preferred Drug List categories Arthritis – Miscellaneous through Estrogens – Tabs. Under the Beta Blockers – Non-Selective category, Innopran XL would be a non-preferred drug. Under the Calcium Channel Blockers – Isradipines category, both Dynacirc and Dynacirc CR would be non-preferred drugs. Under the Cholesterol – Fibrin Acid Derivatives category, Triglide would become a preferred drug. Under Contraceptives – Patches/Vaginal Products, NuvaRing is a non-preferred drug; however, Dr. Clifford suggested that if the State wanted to make it a preferred drug, it would be affordable. Although, there are no significant changes in the Cough/Cold categories, this is an area where a substantial amount of money is spent (over \$2.3 million per day). Dr. Clifford recommended looking at this category in the March 2006 meeting. Under the Cox 2 Inhibitors – Selective category, Mobic would become a non-preferred drug. Under the Diabetic – Insulin category, Dr. Clifford recommended that whenever there are competitor products available to continue with the Novo product line. He also said that if there is another competitor product to run against Lantus, that can be discussed in a future meeting. Under the Diabetic – Other category, Glucagen would become a non-preferred drug. Under the Ear category, Floxin Otic Singles would become a non-preferred drug. Under the Estrogens – Patches category, Estraderm would become a preferred product. The Committee held a discussion. Dr. Flaum made a motion to accept the recommendations with the exception of Inderal 120mg and 160mg Caps becoming a preferred drug, both Dynacirc and Dynacirc CR become non-preferred but grandfathered for existing patients, and the contraceptive NuvaRing becomes a preferred drug. Dr. Archer seconded the motion. All were in favor with none opposing or abstaining.

X. Dr. Clifford reviewed the Preferred Drug List category of Fluoroquinolones. Dr. Clifford said that this represented one of the major savings opportunities. Cipro XR and Avelox ABC Pack would become preferred drugs. All Levaquin products would become non-preferred. Noroxin, Floxin, and Tequin would become non-preferred drugs. Dr. Clifford also recommends that stores would give overrides to be used on all hospital patients discharged that needed to complete a course of Levaquin. The Committee held a discussion. Susan Purcell made a motion to accept the recommendations with the exception of overrides to be used on all hospital patients discharged that needed to complete a course of Levaquin, and making Noroxin and Floxin and Tequin non-preferred drugs. Levaquin is non-preferred except for continuation of a verified course of therapy started in the hospital. An in-patient hospital stay must be verified by reviewing the member's hospital discharge order.

Then, the pharmacy may override the non-preferred status with a Medical Certification Code = 2 and a PA Type Code = 6. Bruce Alexander seconded the motion. All were in favor with none abstaining. Mary Winegardner opposed. Dr. Harvey was absent.

- XI. Dr. Clifford reviewed the Preferred Drug List categories of GI – Anti-Flatulents/GI Stimulants through Migraine – Selective Serotonin Agonists (5HT) – Tabs. Under the category of GI – Digestive Enzymes, Pancrease, Panocaps and Pancrecarb MS-4 would be non-preferred drugs. Under the category of GI – Proton Pump Inhibitor, Nexium would be a non-preferred drug and Protonix would be a preferred drug. Under the category of Immune Serums, Gammagard SD Injection 0.5GM HU would be a preferred drug and Polygam S/D Solution 2.5GM would be a non-preferred drug. Under the category of Migraine – Selective Serotonin Agonists (5HT)-Tabs, Axert and Amerge would be non-preferred drugs. Matthew Osterhaus made a motion to accept the recommendations as reviewed by Dr. Clifford. Susan Purcell seconded the motion. All were in favor with none opposing or abstaining. Dr. Harvey was absent.
- XII. Dr. Clifford reviewed the Preferred Drug List categories of Minerals through Narcotics – Long Acting. The only change in these categories is in the Narcotics – Miscellaneous category. Dr. Clifford talked about negotiations with Endo and their products. If the Endo deal is accepted, working with Endo Pharmaceuticals to ensure access to the stores for the exclusive narcotic Endo products would be necessary. Dr. Clifford said that this type of deal works best when there is no MAC pricing involved. Dr. Clifford recommended examining this more closely with other states that have done this to see how long it took to make purchasing arrangements. The Committee held a discussion. Mary Winegardner made a motion to accept recommendations as reviewed by Dr. Clifford with the exception of leaving the Narcotics category open for long-acting Oxycodone and no MAC pricing with a timeframe for stores to use existing inventories. Matthew Osterhaus seconded the motion. All were in favor with none opposing or abstaining. Dr. Harvey was absent.

The Committee took a ten minute break at this point.

- XIII. Dr. Clifford reviewed the Preferred Drug List categories of Neurologics – Miscellaneous through Topical – Cauterizing Agents. Under the category of Op. Antiallergics – Antihistamines, Emadine and Livostin would be non-preferred drugs. Under the category of Op. Antiallergics – Mast Cell Stabilizers, Alomide and Alocril would be non-preferred drugs. Under the category of Op. Cycloplegics, Isopto Hyoscine would be a preferred drug. Under the Osteoporosis category, even though the final bids have not yet been reviewed, it is assumed that the Fosamax and Actonel will remain as preferred drugs. Under the Phosphate Binders category, Fosrenol would be a preferred drug. Under the Platelet Aggr. Inhibitors/ Combos – Miscellaneous category, Cilostazol Tablets 50mg and Cilostazol Tablets 100mg would be preferred drugs. Under the Rheumatoid Arthritis – Biologicals category, Humira would be a preferred drug. Under the Sedative/Hypnotics – Non-

Benzodiazepines category, Lunesta would become a preferred drug and Ambien would become a non-preferred drug. Dr. Clifford recommended entering an exclusive arrangement with Lunesta at this point. The Committee held a discussion. Dr. Ruhe made a motion to accept the recommendations as reviewed by Dr. Clifford. Dr. Archer seconded the motion. All were in favor with none opposing or abstaining. Dr. Harvey and Mary Winegardner were absent.

- XIV. Dr. Clifford reviewed the Preferred Drug List categories of Topical – Corticosteroids through Weight Loss. Under the category of Topical – Corticosteroids, Locoid and Locoid Lipocream would be non-preferred drugs. Dr. Clifford commented on Ovide, saying that the vast majority of patients are able to get a cure with this product, however, this product costs three times as much as other products, and the drug company did not submit a supplemental rebate offer. Matthew Osterhaus made a motion to accept the recommendations as reviewed by Dr. Clifford. Susan Purcell seconded the motion. All were in favor with none opposing or abstaining. Dr. Harvey and Mary Winegardner were absent.
- XV. Dr. Kline reviewed the following newly released preferred drugs: Tygacil, Cubicin, Naglazyme, Gamunex, Gammagard Liquid, Fluarix, Ammonul, Actonel with Calcium (contingent upon acceptance of the supplemental rebate), and ACTOplus-met (contingent upon supplemental rebate acceptance). Dr. Flaum made a motion to accept the recommendations as reviewed by Dr. Kline. Dr. Ruhe seconded the motion. All were in favor with none opposing or abstaining. Dr. Harvey and Mary Winegardner were absent.
- XVI. Dr. Kline reviewed the following newly released non-preferred drugs: Rozerem, Fortical, Nevanac, Xibrom, Balacet 325, Vanos, Omacor, and BiDil. Dr. Clifford recommended reviewing Xibrom or Nevanac as preferred drugs during the March 2006 meeting, but to leave them as non-preferred for now. Dr. Archer made a motion to accept the recommendations as reviewed. Dr. Ruhe seconded the motion. All were in favor with none opposing or abstaining. Dr. Harvey and Mary Winegardner were absent.
- XVII. Dr. Clifford reviewed the following newly released generic drugs: Cilostazol as a preferred drug, Clarithromycin, Clarithromycin ER, Estradiol Transdermal System, Fexofenadine, Itraconazole, and Terconazole Vaginal cream as non-preferred drugs. Although Sertraline is shown on this list, it is currently not available until perhaps the end of the year at which point it will become non-preferred. Matthew Osterhaus made a motion to accept the newly released generic drugs as reviewed by Dr. Clifford. Dr. Archer seconded the motion. All were in favor with none opposing or abstaining. Dr. Harvey and Mary Winegardner were absent.
- XVIII. Dr. Clifford reviewed the following new dosage forms: Ambien CR as non-preferred, Aricept ODT and Zmax as a preferred drug, Focalin XR as a recommended drug (but Dr. Clifford would prefer to review this drug with the Recommended Drug List review), and Megace ES as a recommended drug. The

Committee held a discussion. Dr. Flaum made a motion to accept the new dosage forms as reviewed by Dr. Clifford. Dr. Frier seconded the motion. All were in favor with none opposing or abstaining. Dr. Harvey and Mary Winegardner were absent.

The meeting ended for the day at 4:55 p.m. and will be continued tomorrow, December 9.