Iowa Medicaid Pharmaceutical and Therapeutics Committee
Minutes

Date: April 8, 2010

Chair: Susan Purcell, R.Ph.

Time: 9:34 a.m. to 12:38 p.m.

Location: Des Moines Botanical Center (Levitt Room), Des Moines, Iowa

Committee Members Present: Bruce Alexander, R.Ph., Pharm.D., BCPP; Matthew Osterhaus, R.Ph.; Susan Purcell, R.Ph, CGP; Hayley L. Harvey, DDS, MS; Charles Wadle, D.O.; and Carole Frier, D.O.

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

Iowa Medicaid Enterprise (IME) Staff Present: Tim Clifford, M.D.; John Grotton, R.Ph.; Sandy Pranger, R.Ph.; Erin Halverson, R.Ph.; and Melissa Biddle.

Chairperson Sue Purcell called the meeting to order.

I. Sue Purcell asked that each committee, DHS staff, and IME staff member introduce themselves to the public. The November 12, 2009 open session minutes were reviewed. Carole Frier made the motion to approve the minutes. Bruce Alexander seconded the motion. The motion passed with no objections.

II. PDL (Dr. Clifford): The bids for the next contract year have just been sent out to the manufacturers. Bidding will occur April through June, and the SSDC pool states will be meeting in mid-June. Healthcare Reform is going to have some effects on State Medicaid programs, especially the pharmaceutical aspects. The Federal Government has imposed an additional minimum 8% rebate requirement to the manufacturers, but all of that will go back to the Federal Government. That will change the perspective on what a drug's real net pricing is; the State and Federal points of view on this will differ substantially. How this will affect the design of the PDL is uncertain, but Dr. Clifford predicts there will be many changes, contingent upon how CMS defines their methodology for applying this 8% rebate. Unfortunately, there is no estimate on how long it will take for CMS to develop their rules and then inform the states how the methodology will be used. Once they do this, it will need to be discussed with the P&T Committee at a future meeting. Also, another aspect of Healthcare Reform is that new formulations will require the same rebate as the existing forms. However, if the Federal Government interprets the new law with the thinking that they should take all of these rebates back and share nothing with the State programs, those new forms will not be priced the same. Thus, new formulations will be avoided on the PDL in the future most likely. The Healthcare Reform Bill is also going to require an additional 2% rebate on generic drugs, but these had minimal rebates anyway. This 2% rebate also applies to hemophilia drugs, as well as certain types of rare drugs that are used purely for pediatric indications, but these are non-competitive drugs so the State was not receiving supplemental rebates from their manufacturers to begin with. Ultimately, the States are going to lose rebate revenue, possibly a large amount of it,

because of this new legislation. Iowa could possibly lose as much as 18% of its existing rebates, which comes out to more than $20 million annually. The end result could be that the PDL becomes much more generic-oriented. There might be requirements that members go through preferred generics in as many drug classes as possible before being able to attain the brand. The Statin, Angiotensin Receptor Blocker (ARB), and Antidepressant categories, for example, would be suggestions for generic stepping. These issues will be addressed in depth at the next couple of P&T Meetings as CMS makes more information available to the States.

III. Drug Rebate Issues: The new supplemental and pool contracts have been posted on the website. Going forward, the State has to be in possession of a manufacturer's signed contract before their drugs will be presented to the P&T Committee for PDL consideration.

IV. PA Criteria/Pro-DUR Edits (Susan Parker): Informational Letter 889 outlined new PA criteria for concurrent IM/PO Antipsychotic use, as well as Dipeptidyl Peptidase-4 (DPP-4) Inhibitors, Lidocaine Patch, and Short Acting Narcotics. A Fax Blast was sent out on March 25th notifying providers that some legend benzoyl peroxide products would become temporarily preferred due to a shortage of the preferred OTC payable products. Another notification regarding fentanyl transdermal patches was faxed on December 18th. Also, updated IME contact information was sent out after the building-wide phone switchover. DUR Commission recommendations from their February and March meetings included new PA criteria for Cymbalta, Lyrica, and Savella based on diagnosis, DPP-4 Inhibitors, Lidocaine Patch, as well as revised criteria for Biologicals for Arthritis and the removal of criteria for Ergotamine Derivatives, along with a suggestion that an age edit be used to restrict Nuvigil use to members 17 years of age or older. Matt Osterhaus believed the criteria for Lidocaine patches was unclear. The committee agreed that it should be sent back to the DUR Commission for review.

V. Legislation: Previously the Iowa Code excluded certain categories of medication from being included on the Preferred Drug List , including those used for mental illness. However, the Legislature removed that exemption this session so medications used in the treatment of mental illnesses will be subject to preferred and non-preferred status rather than just being on the Recommended Drug List, effective January 1, 2011. Anyone established on medication up to that point would be grandfathered. Any mental health drug requiring prior authorization will be eligible for a 7-day supply while obtaining prior authorization, as opposed to the 3-day supply currently allowed for all other products.

VI. IME Updates: DHS Director Charles Krogmeier has assembled a task force regarding people with dual diagnoses of behavioral health disorders (specifically intellectual disabilities) and other health issues, specifically that many of them have been discharged only to be readmitted. It is felt an intervention is needed to reduce such instances. Dr. John Kalachnik, Director of Integrated Services at Woodward Research Center for the State of Iowa and the Department of Human Services, and also chairman of the aforementioned taskforce (I-PART), spoke in depth of their efforts to educate providers, as well as their pharmacotherapy recommendations.

VII. The public speakers were:

SPEAKER	SUBJECT
Kori Hack from Novartis	Valturna and Fanapt
Courtney Walker from Centocor Ortho Biotech	Stelara
Darcy Gill from Genentech	Actemra
Todd Janus from Iowa Health Physicians & Clinics	Generic Anticonvulsants
Harvey Schuck from Merck	Saphris
Nicole Griswold from Shire	Intuniv
Vic Verni from the Epilepsy Foundation of North/Central IL, Iowa, and Nebraska	Generic epilepsy drugs

At 11:04, motion to go to closed session was made by Hayley Harvey and seconded by Charles Wadle. The motion passed with unanimous approval. Open session resumed at 12:03.

VIII. PDL Discussion and Deliberation (Dr. Clifford): The committee members had a discussion of the impact of preferring branded anticonvulsants for a confirmed epilepsy diagnosis. However, they ultimately decided to forego making this change until a report could be run to evaluate brand-generic utilization of seizure medications to assess how many members would be impacted. This will be brought to the June meeting. They then reviewed the rest of the PDL recommendations. It was recommended to temporarily change the status of generic legend benzoyl peroxide 5% cleanser, 5% gel, 10% cleanser, and 10% gel to preferred due to a shortage of the preferred OTC benzoyl peroxide products. Dihydroergotamine mesylate injection will become non-preferred to maximize cost savings to the program. Fortical will be kept non-preferred due to contract issues. It was recommended to change the status of Imitrex 4mg Injection, Imitrex 6mg Injection, Imitrex STATdose Pen, and Imitrex STATdose refill to preferred with conditions due to a large CMS rebate. Sumatriptan is already preferred. It was recommended to change Ortho-Cyclen and Ortho Tri-Cyclen to preferred due to a lowering of their AWPs. Yasmin will become preferred due to a large CMS rebate. It was recommended to change the status of Xyrem to non-preferred with recommendation for the Drug Utilization Review (DUR) Commission to develop prior authorization criteria. Bruce Alexander motioned to accept the above recommendations, with the addition of Dr. Clifford's promise of research into epilepsy claims. Carole Frier seconded, and the motion passed unanimously. The following medications will be removed from the PDL as they have been discontinued by their respective manufacturers: Acular PF, Augmentin 250mg Chewable tablet, Bumex, Compazine tablets and suppositories, Demulen 1/35-28 and Demulen 1/50-28, Desquam-X gel, Dynacirc, Esclim, Fero-Folic 500, Florinef, FML-S Liquifilm, Foscavir, Furacin, Iberet- Folic 500, Lidex, Micronase, Nalex-A and Nalex DH, Nasarel, Norgesic Forte, OptiNate, Pediazole, Pediotic, Psoriatec, Pulmicort Turbuhaler, Serax, Sulfinpyrazone, Talacen, Timolide, Trinsicon, Tri-Vent DM syrup, Urised, and Vasocidin. Matt Osterhaus motioned to accept these removals, and Bruce Alexander seconded. The motion passed with no oppositions. Additionally, it was recommended to change the status of Actigall to non-preferred to maximize cost savings to the program. Ursodiol 300mg is already preferred. Azithromycin 100mg/5cc will become preferred and Zithromax 100mg/5cc non-preferred, also to maximize cost savings. Cleocin 2% vaginal cream will change to non-preferred for this same reason. Clindamycin 2% vaginal cream is already preferred. Also, colestipol will now be preferred and Colestid non-preferred to

maximize cost savings to the program. It was recommended to change the status of Dilantin 100mg capsules to non-preferred (grandfathering members with a diagnosis of seizure disorder) to maximize cost savings. Phenytoin 100mg capsules are already preferred. Additionally, divalproex er will become preferred and Depakote ER non-preferred (grandfathering members with a diagnosis of seizure disorder) to maximize cost savings. For economical reasons, it was recommended to change Lithobid 300mg tablets to non-preferred as well. Lithium carbonate 300mg tablets are already preferred. Nitrofurantoin macrocrystals will become preferred as they are now more cost effective, while Percodan will be non-preferred as it is not. Oxycodone/aspirin is already preferred. It was recommended to change the status of risperidone oral solution to preferred and Risperdal oral solution to non-preferred on the PDL to maximize cost savings to the program. Lastly, terconazole 0.8% vaginal cream will become preferred also to maximize cost savings. Matt Osterhaus motioned to accept the above recommendations (with the added caveat that established members on Lithrobid would be grandfathered), and Bruce Alexander seconded. Approval was unanimous. Brand-name Dilantin and Depakote ER will remain preferred through July 31, 2010.

IX. RDL Discussion and Deliberation: The following medications were recommended to change from recommended to preferred: Alprazolam Intensol, Butisol Sodium, Diazepam Intensol, Diazepam oral solution, Doral, Mebaral, Restoril 7.5mg, and Restoril 22.5mg. Chloral Hydrate Crystals will be removed from the Recommended Drug List, as there are commercial products available. Additionally, flumazenil will be removed from the RDL as it is not intended for outpatient therapy. Phenobarbital Sodium, Luminal, Seconal, and Somnote were recommended to change from non-recommended to non-preferred. Charles Wadle motioned to accept these recommendations, and Matt Osterhaus seconded. The motioned passed with none opposing.

X. Newly Released Drugs: Actemra and Stelara were recommended to be non-preferred with conditions. Bepreve was recommended to be non-preferred, and Folotyn was recommended to be recommended. Charles Wadle motioned to accept the above, and per the new DHS policy on supplemental rebates, hold off on making a decision on Fanapt (with a prospective preferred status) and Saphris (with was recommended to be preferred with a POS duplicate therapy edit) until signed contracts had been received from the manufacturers. Bruce Alexander seconded. All committee members present approved this motion.

XI. Newly Released Generic Drugs, New Dosage Forms, New Drug Names, and New Strengths: Azelastine, bentropine injection, deferoxamine, fosphenytoin, ketorolac 0.4% ophthalmic solution, irsadipine, mirtazapine ODT, oxcarbazepine suspension, perindopril, piperacillin/tazobactam, pramipexole, tranylcypromine, valacyclovir, Dysport, and Vibativ were recommended to be non-preferred. Lansoprazole, Intuniv, Metozolv ODT, Triaz Cloths, Twynsta, and Dialyvite 5000 were recommended to be non-preferred with conditions. Valturna was on the agenda; but per the new DHS policy requiring that a signed contract be received prior to PDL placement, it was held over until a future meeting. Bruce Alexander motioned to accept these recommendations, and Charles Wadle seconded. The motion passed with all in favor.

A motion was made by Carole Frier to adjourn the meeting. Bruce Alexander seconded the motion. All in attendance approved. The meeting adjourned at 12:38 p.m. The next scheduled meeting will be June 10, 2010