Iowa Medicaid Pharmaceutical and Therapeutics Committee
Minutes

Date: June 9, 2011

Vice-Chairperson: Charles Wadle, D.O.

Time: 9:36 a.m. to 12:25 p.m.

Location: Capitol Room 116, Des Moines, Iowa

Committee Members Present: Bruce Alexander, R.Ph., Pharm.D., BCPP; Hayley L. Harvey, DDS, MS; Charles Wadle, D.O.; Carole Frier, D.O.; Mark Graber, M.D.; and Rachel Ford, PA-C.

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

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

Vice-Chairperson Chuck Wadle called the meeting to order.

I. Chuck Wadle asked that each committee, DHS staff, and IME staff member introduce themselves to the public. The March 10, 2011 open session minutes were reviewed. Bruce Alexander made the motion to approve the minutes. Carole Frier seconded the motion. The motion passed with no objections.

II. PDL (Dr. Clifford): Initial bids for next year's supplemental rebate agreements have been received, and counter offers sent in response to them. There will also be a lot of instances where the generic will become less expensive than the brand later this year, so that will need to be taken into account in constructing the PDL.

III. Drug Rebate Issues: With the Healthcare Reform Bill, generally the State will be losing 8% of the Average Manufacturer Price (AMP) from brand name medications, and 2% of AMP from generic medications, to the Federal government, except when a brand drug is offering what they call a "best price". The federal government will not claw-back brand drugs with best price. CMS has still not identified which drugs will be classified as line extension drugs. An update on this will be provided when information becomes available.

IV. PA Criteria/Pro-DUR Edits (Susan Parker): A fax blast was sent out to providers on May 26, 2011 to inform them that the POS system would be unavailable for 6 hours on June 5, 2011 for maintenance. Informational Letter 1012 outlined NCPDP 5.1 Payersheet changes, as well as changes to the paper claim instructions, effective July 11, 2011. A notice from CMS dated May 4, 2011 listed active cold, cough, and allergy NDCs that qualified as unapproved new drugs within the meaning of section 201(p) of the Federal Food, Drug, and Cosmetic Act, subject to enforcement action, that should not be marketed without appropriate FDA approval and may no longer be covered by Medicaid. Informational Letter 994 referenced changes to the PDL effective April 25, 2011, along with new quantity limits for omeprazole, pantoprazole, and

Prevacid. This same letter also noted that 3 tablets of Colcrys per 60 days would be allowed without prior authorization, and that prior authorization would be required after 60 days of concomitant use of multiple NSAIDs. A press announcement from the FDA explained the new limitation of 325 milligrams of acetaminophen in prescription combination products to reduce the risk of liver toxicity. A letter from the DUR Commission dated April 7, 2011 recommended implementation of criteria for: Topical Immunomodulators; Proton Pump Inhibitors; Selected Brand-Name Drugs; and Vitamins, Minerals, and Multiple Vitamins. This letter also stated that the DUR Commission had deemed tesamorelin (Egrifta) not medically necessary.

V. Legislation: There is still no budget approved for the next state fiscal year. The Omnibus Bill has passed the House of Representatives, however, and is now moving on to the Senate for approval. There were several items in this Bill that apply to the Medicaid pharmacy program. Coverage of cough and cold products, with the exception of over-the-counter pseudoephedrine and guaifenesin with dextromethorphan, as well as weight loss products, will be eliminated. These are optional coverage categories. A 15 days supply for drugs with a high discontinuation rate will also be implemented; this should bring almost one million dollars in savings. The dispensing fee will be increased to $6.20 beginning July 1, 2011; this resulted from an adjustment to the initial $4.34 dispensing fee brought on by $3 million in additional reimbursements. The exemption stating that drugs prescribed for mental illness cannot be placed on the Preferred Drug List has been added back into the legislation, after being removed last year, and the current budget proposal would also make this change retroactive back to January 1, 2011, which will cause some contract and rebate issues. The P&T Committee wishes to write a letter to Governor Branstad urging him to rethink the potential costs of this legislation for the Medicaid program, and the effects it would have on an already stretched budget.

VI. IME Updates: The Request for Proposal (RFP) document for MMIS and POS contracts re-procurement has been released. The possibility of changing the requirement for establishing a quorum of the P&T Committee to a majority rather than 2/3 of the members is under review. The governor's review of the P&T member renewals is still pending. Hayley Harvey inquired about the status of adding vitamin D without fluoride options to the PDL. Sandy Pranger will follow up with her, but believes there are some preferred medications that meet this criterion already on the PDL.

VII. The public speaker was:

SPEAKER	SUBJECT
Gary Engelmann from Avanir Pharmaceuticals	Nuedexta

At 10:12, motion to go to closed session was made by Bruce Alexander and seconded by Hayley Harvey. The motion passed with unanimous approval. Open session resumed at 11:51.

VIII. PDL Discussion: Per the CMS release dated May 4, 2011, unapproved cough, cold, and allergy drugs were removed from the PDL. Due to the FDA News release dated January 13, 2011, quantity limits will be applied to prescription combination products containing acetaminophen to limit acetaminophen dose to 4,000 milligrams per day. Both of the above documents are located on the Iowa Medicaid PDL website under the CMS Updates/FDA Updates link.

IX. PDL Discussion and Deliberation (Voting Block 1): All following recommendations were made to maximize cost savings to the program. All of these medications will become preferred on the PDL: AccuNeb, ceftazidime, cefuroxime sodium, and Coly-Mycin M. All of these medications will become non-preferred on the PDL: albuterol sulfate nebulization solution (0.63mg/3ml and 1.25mg/3ml), Armour Thyroid (existing users grandfathered), Fortaz, Zinacef, colistimethate sodium, and Cortenema. All of these medications will become preferred with conditions: benzoyl peroxide 3% lotion, benzoyl peroxide 6% lotion, and benzoyl peroxide 9% lotion. All of these medications will become non-preferred with conditions on the PDL: Triaz Cleanser, Triaz Pads, and Fiorinal/Codeine #3. It was also decided to keep butalbital-aspirin-caffeine with codeine 50-325-40-30 capsules non-preferred with conditions rather than accept the recommendation for it to change to preferred. Carole Frier motioned to accept the above recommendations, and Bruce Alexander seconded. The decision was unanimous.

X. PDL Discussion and Deliberation (Voting Block 2): All following recommendations were made to maximize cost savings to the program. All of these medications will become preferred on the PDL: Coumadin 1mg, Coumadin 2mg, Coumadin 2.5mg, Coumadin 3mg, Coumadin 4mg, Coumadin 5mg, Diprolene lotion, Diprolene ointment, dorzolamide ophthalmic solution, dorzolamide hcl-timolol maleate ophthalmic solution, hydrocortisone sodium succinate, lidocaine hcl local injection 1.5%, and lidocaine hcl local injection 4%. All of these medications will become non-preferred on the PDL: desipramine (existing users grandfathered), betamethasone dipropionate augmented lotion, Trusopt, Cosopt, Solu-Cortef, Lanoxin (existing users grandfathered), and Xylocaine-MPF. All of these medications will become non-preferred with conditions on the PDL: Diflucan in Iso-Osmotic Dextrose, doxycycline hyclate delayed release tablet, hydrocodone-acetaminophen 5-300mg, hydrocodone-acetaminophen 7.5-300mg, and hydrocodone-acetaminophen 10-300mg. Bruce Alexander motioned to accept the above recommendations, and Hayley Harvey seconded. The decision was unanimous.

XI. PDL Discussion and Deliberation (Voting Block 3): All following recommendations were made to maximize cost savings to the program. All of these medications will become preferred on the PDL: lidocaine-prilocaine 2.5-2.5% cream, meropenem, methimazole, methscopolamine bromide, mometasone furoate solution (lotion), norethindrone acetate 5mg, norethindrone and ethinyl estradiol 0.4mg-35, and orphenadrine with aspirin and caffeine 50-770-60mg tablets. All of these medications will become preferred with conditions: losartan potassium, and losartan potassium and hydrochlorothiazide. All of these medications will become non-preferred on the PDL: Merrem, Methadone Intensol, Tapazole, Pamine, Pamine Forte, Elocon solution (lotion), Aygestin, Ovcon-35, and phenyltoloxamine-acetaminophen 66-600mg tablet. All of these medications will become non-preferred with conditions on the PDL: Cozaar, Hyzaar, and Orphenadrine Compound DS. Mark Graber motioned to accept the above recommendations, and Rachel Ford seconded. The decision was unanimous.

XII. PDL Discussion and Deliberation (Voting Block 4): All following recommendations were made to maximize cost savings to the program. Primidone will become preferred on the PDL. Ritalin SR 20mg will become preferred with conditions. All of these medications will become non-preferred on the PDL: Phenytek (existing users grandfathered), phenytoin sodium extended release 200mg, phenytoin sodium extended release 300mg, potassium chloride 8mEq capsules, potassium chloride 10mEq capsules, potassium chloride 10mEq tablets, and Mysoline (existing users grandfathered). All of these medications will become non-preferred with conditions on

the PDL: Prevacid, Remeron SolTab, and methylphenidate sr 20mg. The Committee also decided to make the GI – Proton Pump Inhibitor drug category a three-drug class, with Dexilant becoming preferred with conditions in addition to the two generics, omeprazole and pantoprazole sodium, which are already preferred. Carole Frier motioned to accept the above recommendations, and Rachel Ford seconded. The decision was unanimous.

XIII. PDL Discussion and Deliberation (Voting Block 5): All following recommendations were made to maximize cost savings to the program. All of these medications will become preferred on the PDL: salicylic acid 6% cream, salicylic acid 6% lotion, and timolol maleate gel forming ophthalmic solution. All of these medications will become preferred with conditions: sulfacetamide sodium with sulfur emulsion 10-1%, sulfacetamide sodium with sulfur emulsion 10-5%, and sulfacetamide sodium-sulfur with sunscreens cream. All of these medications will become non-preferred on the PDL: Rocephin 500mg, Salex, Timoptic-XE, and Xylocaine 2% gel. All of these medications will become non-preferred with conditions on the PDL: Roxicodone, Rosac wash, Plexion cleanser, and Rosac cream. Hayley Harvey motioned to accept the above recommendations, and Carole Frier seconded. The decision was unanimous.

XIV. Drugs Removed from the PDL: Moban and Uniphyl will be removed from the PDL since they have been discontinued by the manufacturer.

XV. Newly Released Drugs: All following recommendations were made to maximize cost savings to the program. Edarbi was recommended to be non-preferred with conditions for now, although a supplemental rebate agreement could be on the agenda for the September meeting. Mark Graber motioned to accept this recommendation, and Rachel Ford seconded. All members present were in agreement. Natroba was recommended to be non-preferred. Bruce Alexander motioned to accept this recommendation, and Hayley Harvey seconded. All members present were in agreement. Nuedexta was recommended to be non-preferred, with a referral to the DUR Commission for PA criteria development, as it is five to six times more expensive than the other drugs used for the treatment of pseudobulbar affect. Mark Graber motioned to accept this recommendation, and Carole Frier seconded. All members present were in agreement.

XVI. Newly Released Generic Drugs: All following recommendations were made to maximize cost savings to the program. Exemestane was recommended to be non-recommended. Latanoprost was recommended to be non-preferred for now, pending a SMAC price later this year. Voriconazole was recommended to be non-preferred with conditions. Carole Frier motioned to accept these recommendations, and Mark Graber seconded. All members were in favor.

XVII. New Dosage Forms: All following recommendations were made to maximize cost savings to the program. Axiron Topical Solution, Moxeza, and Silenor Tablet were all recommended to be non-preferred. Abstral and Nexiclon XR were both recommended to be non-preferred with conditions. Hayley Harvey motioned to accept these recommendations, and Bruce Alexander seconded. All members were in favor.

XVIII. New Strengths: All following recommendations were made to maximize cost savings to the program. Fortesta 10mg/ACT Gel was recommended to be non-preferred. Carole Frier

motioned to accept these recommendations, and Hayley Harvey seconded. All members were in favor.

A motion was made by Bruce Alexander to adjourn the meeting. Carole Frier seconded the motion. All in attendance approved. The meeting adjourned at 12:25 p.m. The next scheduled meeting will be September 8, 2011.