Iowa Medicaid Pharmaceutical and Therapeutics Committee
Minutes

Date: September 13, 2012

Vice-Chairperson: Susan Purcell, R.Ph.

Time: 9:30 a.m. to 11:24 a.m.

Location: Capitol Room 116, Des Moines, Iowa

Committee Members Present: Hayley L. Harvey, DDS, MS; Carole Frier, D.O.; Jolene Kelly, PA-C; Susan Purcell, R.Ph., CGP; Stephen Richards, D.O.; CoraLynn Trewet, Pharm.D.; Jerry Jochims, M.D.; and Bruce Alexander, R.Ph., Pharm.D., BCPP.

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

Iowa Medicaid Enterprise (IME) Staff Present: Laureen Biczak, D.O.; Steve Liles, Pharm.D.; Erin Halverson, R.Ph.; Megan Smith, Pharm.D.; and Melissa Biddle.

Vice-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 June 14, 2012 open session minutes were reviewed. Bruce Alexander made the motion to approve the minutes. Jolene Kelly seconded the motion. The motion passed with no objections. Carole Frier nominated Chuck Wadle as Chairperson and Sue Purcell as Vice-Chairperson. This was seconded by Jerry Jochims, and agreed upon by all members present.

II. Conflict of Interest and Confidentiality Forms: The forms were collected and they are available from Susan Parker at sparker2@dhs.state.ia.us. Any changes to these forms prior to next September's renewal will need to be announced as well.

III. PDL and Drug Rebate Issues (Dr. Liles): SSDC supplemental rebate offers and counter-offers are in process. All the classes where there are offers will be discussed at the annual November meeting. Nothing new has come down from CMS in regards to line extension drugs since the last meeting, with no major changes expected. Annual PDL recommendations will take line extension pricing into account

IV. PA Criteria/Pro-DUR Edits/Legislation (Susan Parker): Informational Letter 1145 outlined changes to the PDL effective July 30, 2012, as well as new prior authorization criteria for Xalkori and Kalydeco, and changes to existing criteria for: benzodiazepines, chronic pain syndromes, erythropoiesis stimulating agents, and sedative/hypnotics non-benzodiazepines. It also listed new quantity limits for codeine sulfate, Kalydeo, Latuda, Lunesta, Rozerem, Xalkori, Zaleplon, and Zolpidem. Informational Letter 1163 notified of the pharmacy dispensing fee increase from $4.34 to $6.20, effective retroactively back to August 1, 2011. The POS system began processing submitted pharmacy claims with the new fee on August 9, 2012. Claims that had been submitted between August 1, 2011 and August 8, 2012 (except for those reimbursed at

the usual and customary price) were adjusted by the IME to reflect the change. Latest News announcements included notifications of Plavix 75mg, Concerta, and Lipitor becoming non-preferred, and their respective generic equivalents preferred. There were also two more informational letters sent in June and July detailing changes in reimbursement that are tentatively coming in January. IME is currently in the process of analyzing the cost of dispensing fee data received from pharmacies that completed the cost of dispensing survey. They were required to return the surveys by September 7th to allow for the 90 day approval period from CMS. The dispensing fee will be submitted to CMS in October. Pharmacies will also receive an invoice collection request in October, in order to determine an average Actual Acquisition Cost which will be used to reimburse for the drug, as opposed to the current AWP minus 12% (or 17% for specialty drugs) pricing methodology. At the same time, the new dispensing fee, which is anticipated to be in the $10-$11 range, will go into effect. More finalized information, and additional informational letters, will be provided at the November meeting. A report is due to the legislature in December regarding potential changes to the dispensing fee, in terms of how often cost of dispensing surveys should be done, or if an inflation factor should be applied, which may bring about a refinement to the current regulations. DHS is currently working on the budgets for State Fiscal Years 2014 and 2015. The budget documents are posted on the DHS website. Though enrollment is slowing, Iowa Medicaid is projected to be the second largest healthcare payer in the state for 2015. The FMAP rate is declining, due to loss of enhanced Federal funding for some programs and an improvement in the state economy. Committee members will be emailed the link to the posted documents.

V. IME Updates: There was nothing in addition to those listed above.

VI. The public speakers were:

SPEAKER	SUBJECT
James Osborne from GlaxoSmithKline	Potiga
Steven Woods from Shire	Vpriv

At 10:05, motion to go to closed session was made by Hayley Harvey and seconded by Bruce Alexander. The motion passed with unanimous approval. Open session resumed at 11:00.

VII. PDL Discussion and Deliberation: All following recommendations were made to maximize cost savings to the program. Atorvastatin was recommended to be preferred and Lipitor non-preferred. Cerezyme was recommended to be non-preferred for diagnosis verification. Gabapentin 600mg and 800mg tablets will change to non-preferred, while gabapentin 300mg and 400mg capsules remain preferred. Femcon FE will become preferred. Plavix 75mg will change to non-preferred. Methylphenidate sa tablets will change to preferred with conditions, and Concerta will become non-preferred with conditions. Terbutaline 1mg/1ml injection was recommended to change to non-preferred. Carole Frier motioned to accept the above recommendations, and Jerry Jochims seconded. The decision was unanimous.

VIII. Newly Released Drugs: All following recommendations were made to maximize cost savings to the program. These new medications were all recommended to be non-preferred on the PDL: Dificid, Elelyso, Korlym, Potiga, Qnasl, Vpriv, and Zetonna. Jakafi was recommended to be

added to the RDL as recommended. Omontys will be non-preferred with conditions. Bruce Alexander motioned to accept all of these recommendations. Stephen Richards seconded, and the vote was unanimous.

IX. Newly Released Generic Drugs: All following recommendations were made to maximize cost savings to the program. Clopidogrel 75mg and fluticasone propionate lotion will both be preferred. Clopidogrel 300mg, norethindrone and ethinyl estradiol-FE chew tablet 0.4mg-35mcg, olanzapine/fluoxetine, and tolterodine will all be non-preferred. Desloratadine and ropinirole ER will both be non-preferred with conditions. Nevirapine will be non-recommended. Jolene Kelly motioned to accept the above recommendations. Jerry Jochims seconded the motion, and all members were in favor.

X. New Dosage Forms/Strengths and New Drug Names/Combinations: All following recommendations were made to maximize cost savings to the program. Rectiv ointment 0.4%, Sklice, Sorilux Foam, and Dymista will all be non-preferred. Subsys will be non-preferred with conditions. Jerry Jochims motioned to accept these recommendations, and Jolene Kelly seconded. All members were in favor.

XI. Antipsychotic Drug Class Review: Dr. Biczak presented a PowerPoint on the use of atypical antipsychotics in mental health, as a preview for the upcoming November meeting discussion. Committee members were also emailed a copy of the complete drug class review document. Those requesting a hard copy were mailed one, as well.

A motion was made by Carole Frier to adjourn the meeting. Jerry Jochims seconded the motion. All in attendance approved. The meeting adjourned at 11:24 a.m. The next scheduled meeting will be November 8, 2012.