



# Special Tribal Consultation

February 14, 2019

Reaching across Arizona to provide comprehensive  
quality health care for those in need

# Agenda Items

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1. Welcome & Introductions
2. IHS/638 Specialty Drugs and PBM Update
3. Prop 206 Rates Adjustment Update

# Pharmacy Update

Suzi Berman, RPh



# IHS & 638 RX Claims Processing Changes

- April 1, 2019 OptumRx PBM Changes:
  - PBM Claims Adjudication for Reimbursement of:
    - The All Inclusive Rate (AIR); and
    - Specialty & High Dollar Medications
  - Eligibility for the AIR and Specialty Medication Plan includes all Native Americans enrolled in:
    - AHCCCS Fee-For Service, and
    - AHCCCS Contracted Managed Care Organizations

# All Inclusive Rate (AIR) Plan PBM Set-Up

- Pharmacies will need OptumRx's BIN and PCN numbers for claims adjudication of the AIR.
  - **BIN = 001553**
  - **PCN = AIRAZM**
  - **OPTUM RX Help Desk Phone Number;**
    - **Toll Free: 1 (855) 577-6310**
- Reminder: Prescription claims, with a service date through March 31st, must be submitted to AHCCCS within 1 year from the Service Date.
- Prescription claims with a service date after March 31st must be submitted to the PBM, OptumRx, for claims adjudication and reimbursement.

# All Inclusive Rate Plan PBM Set-Up

- 5 AIR reimbursements is the maximum per day per member per facility - This is the current policy and it shall remain the same.
- One pharmacy AIR reimbursement per day per member per IHS/638 pharmacy. Total AIRs, for the member, not to exceed 5 per day per facility.
  - Additional pharmacy claims submitted on the same day, after the first claim is adjudicated for the AIR, will pay at zero dollars.
- AIR Annual Adjustment – Claims will be recycled and adjustments provided by OptumRx.

# AIR Plan Prescription Utilization Parameters

- Maximum Days Supply Allowable for Dispensing
  - Non-Controlled Substances – up to 90 days
  - Controlled Substances – up to 30 days
  - ADHD Medications – up to 90 days
- Refill Utilization Percentages
  - Non-Controlled Substances – 80% or greater
  - Controlled Substances – 85% or greater

# All Inclusive Rate Plan PBM Set-Up

- OptumRx will load the AHCCCS Fee-For-Service Drug List for claims adjudication.
- Federally and State Reimbursable Drugs not listed on the AHCCCS FFS Drug List are available through the prior authorization process.
- AMPM Policy 310-V Sections F & G Opioid Requirements:
  - All Long-Acting opioids medications currently require prior authorization which will be in effect beginning on May 1, 2019.
  - The Short-Acting Opioids 5-day limits for adults and children will be implemented on June 1, 2019.



# Prior Authorizations (PA) Highlights For All Plans

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- Children under the age of 6 years old for many behavioral health medications.
- Children and Adolescents under the age of 18 Years:
  - Cough and cold products containing opioids; and
  - Atypical Antipsychotic Long Acting Injectables
- Preferred and Non-Preferred Agents;
- Quantities that exceed the amount listed on the FFS Drug List; and
- Medication costs that exceed a high dollar limit threshold.

# PA's For Controlled Substances For All Plans

- Greater than 2 Different Short-Acting Opioid Medications in a 30-day time period.
- Greater than 1 Anti-anxiety medication in a 30-day time period.
- Greater than 1 Hypnotic medication in a 30-day time period.
- Buprenorphine without Naloxone unless the member is pregnant.
- Long-Acting Opioids unless an exception listed in AMPM 310-V is applicable.
  - Long-Acting Opioid Prescriptions will be grandfather for the first 30 days beginning on April 1, 2019. PA will be required beginning on May 1, 2019

# Prior Authorization Response Times

- Applies to all claims for the AIR and high dollar and/or specialty medications that require PA.
  - Many high dollar and/or specialty medications require PA.
- Submitted PAs are reviewed and responded to within 24 hours of receipt of the PA.
- A decision is rendered within the 24 hour timeline unless there is missing information on the PA. A request will be sent to the prescribing clinician for the missing information within 24 hours of receipt of the PA.
- Grandfathering – Prescription refills for the high dollar/specialty medication plan will be grandfathered for the first 30-days beginning April 1st.

# AIR & Medicare PBM Plan Set-Up

- Prescription coverage for members eligible for Medicare:
- Medicare Part D
  - AHCCCS and its Contractors are prohibited for using federal and/or state funds to pay for any part of medications eligible for coverage under Medicare Part D.
- Medicare Part B – AHCCCS is a secondary payer
  - AHCCCS and its Contractors will reimburse IHS & 638 Tribal Pharmacies, up to 20% of the Medicare Part B Reimbursement.
    - This applies to claims adjudication for all plan set-ups at the PBM.
- AHCCCS is the primary payer for OTC medication listed on the AHCCCS Dual Eligible Drug List. IHS & 638 Tribal Pharmacies may submit OTC claims for drugs listed on the AHCCCS FFS Dual Eligible Drug List for the AIR reimbursement.

# Specialty Medication Plan PBM Set-Up

- Pharmacies will need OptumRx's BIN and PCN for claims adjudication of the AIR.
  - **BIN = 001553**
  - **PCN = SPCAZM**
- OPTUM RX Help Desk Phone Number;
  - **Toll Free: 1 (855) 577-6310**

# Specialty Medication Plan PBM Set-Up

- Specialty Medication Claims are transactions outside of the AIR and paid in accordance with the CMS approved State Plan Amendment and the CMS Outpatient Drug Rule.
  - Reimbursement is at the lesser of the:
    - Federal Supply Actual Acquisition Cost or Wholesale Acquisition Cost
    - plus a Professional Dispensing Fee.
- The Professional Dispensing Fee:
  - Non-compounded Prescriptions
  - Compounded Prescriptions
- Claims will not be recycled when the AIR is annually adjusted.

# Specialty Medication Plan PBM Set-Up

- Claims Adjudication Process Uses a Set Dollar Threshold
- AIR plus a penny is the proposed Set Dollar Threshold= \$455.01
- If the AIR changes, the Set Dollar Threshold will be adjusted
- CMS Approved this Methodology
  - Allows for greater flexibility than using a defined drug list:
    - Claims adjudication is based on the Cost of the Prescription
  - Eliminates the Drug List Updating Process
    - PBM uses MediSpan & First DataBank to Identify Federally & State Reimbursable Drugs.

# Specialty Plan RX Utilization Parameters

- OptumRx will load the AHCCCS Fee-For-Service Drug List for claims adjudication.
- Maximum Days Supply Allowable for Dispensing
  - Up to 30 days
- Refill Utilization Percentages
  - Non-Controlled Substances – 80% or greater
  - Controlled Substances – 85% or greater



# Specialty Medication Plan PBM Set-Up

- Specialty Medications will be grandfathered for the first 30-days of the implementation beginning April 1st with the following parameters:
  - Member must be eligible;
  - Medication must be federally and state reimbursable; and
  - Rx Cost does not exceed a high dollar limit.

# Optum Rx Claims Adjudication

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- IHS & 638 Tribal Pharmacy PBM System Testing
  - Available beginning on March 15, 2019
  - More information to be communicated on the instructions for the testing environment.

# KidsCare Claims Adjudication

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- KidsCare Eligibility
- KidsCare Claims will Continue to Adjudicate under the Current BIN and PCN numbers below:
  - **BIN = 001553**
  - **PCN = AZM**
- OPTUM RX Help Desk Phone Number;
  - **Toll Free: 1 (855) 577-6310**

# Thank You.



# Questions?

You may also email Suzi Berman at  
[Suzanne.Berman@azahcccs.gov](mailto:Suzanne.Berman@azahcccs.gov)



# Rate Adjustments Prop 206

Jon Stall



# Prop 206 Background

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- Gradually increase state's hourly minimum wage:
  - \$10 on and after January 1, 2017
  - \$10.50 on and after January 1, 2018
  - \$11 on and after January 1, 2019
  - \$12 on and after January 1, 2020
- Mandates annual earned paid sick time
  - 40 hours for employers with 15+ employees
  - 24 hours for employers with less than 15 employees

# Prop 206 Rate Adjustments

Date	Change	<u>Home and Community Based Services</u> 1/ 2/	<u>Nursing Facilities</u> 1/
1/1/2017	Min. wage from \$8.05 to \$10.00/hr	7.0%	3.5%
7/1/2017	Sick leave requirements	1.9%	0.3%
1/1/2018	Min. wage from \$10.00 to \$10.50/hr	1.4%	0.7%
1/1/2019	Min. wage from \$10.50 to \$11.00/hr	1.4%	0.7%
	Cumulative Rate Increases To Date	12.1%	5.3%
	1/ Reflects statewide adjustments ; does not incorporate geographic specific adjustments 2/ Increases were to select HCBS codes		



# SFY 20 Executive Recommendation

- Funds minimum wage increase to \$12 on 1/1/20, consistent with AHCCCS request and JLBC Baseline
- Provides additional access to care funding for Prop 206:
- ALTCS DD: Permanently fund \$36.1M of increases in SFY 20. DES SFY 19 budget funded amount on a “one-time” basis
- ALTCS EPD: \$30.8M to maintain equity in provider increases
- Proposal would result in rates increase of 4.2% for HCBS and 2.1% for Nursing Facilities

# Questions?



Additional feedback:  
[publicinput@azahcccs.gov](mailto:publicinput@azahcccs.gov)

