



Michigan Department of
Health & Human Services
RICK SNYDER, GOVERNOR
NICK LYON, DIRECTOR

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES
Medical Services Administration
Pharmacy Management Division

Pharmacy Provider Liaison
Minutes From Meeting on December 10, 2015

Attendees

Lynne Roberts, Indispensable Health; Ghada Abdallah, Park Pharmacy; Bill Drake, Advanced Care Pharmacy; JoAnn Mason, Meijer; Jim Mathews, Eric Roath and Kevin Roeder, Michigan Pharmacists Association; Rob Seffinger and Yvonne Gallagher, Sav-Mor; Joe Leonard and Michele Davidson, Walgreens; Andrew Richner, Clark Hill (representing Rite Aid); Joel Kurzman, National Association of Chain Drug Stores; Sherrill Bryant, Magellan; Jacob Kwasneski, Mark Reynolds, Michele Warstler, and Vytas Ray, Office of Inspector General; Trish O'Keefe, Kathy Stiffler, Chris Priest, Vicki Goethals, Tina Villarreal, Glenda England, Helen Walley, Sabato Caputo, Daniel Voss, Jerin Philip, Lida Momeni, Allison Repp, and Rita Subhedar, Michigan Department of Health and Human Services (MDHHS).

MI Health Link Update

Jerin Philip, Quality Analyst in the Department's Integrated Care section, provided an update on MI Health Link:

- Current Enrollment: 34,844
 - Wayne: 18,855
 - Southwest: 7,882
 - Macomb: 4,363
 - UP: 3,744
- January 2016 Passive Enrollment set for approximately 1,500 people
- Recent public forums conducted in the UP and Southwest regions
- Contract Managers working with health plans to address issues with pharmacy claims
- www.michigan.gov/mihealthlink
- Send questions to IntegratedCare@michigan.gov

Bill Drake from Advanced Care Pharmacy said that there is still some confusion among ICOs on whether they have to follow the Medicare Part D Prescription Drug Plan's formulary, particularly regarding long-acting injectables. Lida Momeni from the Integrated Care section at MDHHS responded said that if Bill provided more specifics on the ICO they would be happy to follow up.

Healthy Michigan Plan Update

Rita Subhedar, Policy Specialist in the Department's Pharmacy Management Division, provided an update on the Healthy Michigan Plan:

- Enrollment is currently 572,416
 - Over 80 percent are enrolled in a Health Plan
 - Roughly 80 percent have incomes below 100 percent of the Federal Poverty Level
- MDHHS continues to have productive discussions with the Centers for Medicare & Medicaid Services (CMS) for the Second Waiver.

An attendee asked whether the Department has an alternate plan if CMS does not approve the waiver. The Department's Medicaid Director Chris Priest responded that an alternate plan has not been developed because nothing in the Department's discussions with CMS has led him to believe that an alternate plan is needed. Discussions with CMS have been positive and the Department is cautiously optimistic. *Note: CMS approved the Second Waiver for the Healthy Michigan Plan waiver on December 17, 2015.*

Medicaid Policy Updates

Rita provided an update on recent policies:

- The Amendment to the Michigan Medicaid State Plan on Pharmacy Claims for Physician-Administered Injectables was approved by CMS on October 27th. Bill Drake said that Community Mental Health providers appreciate this policy.
- MSA 15-39 – Criminal Background Checks for High-Risk Providers – MDHHS will require fingerprint-based criminal background checks when screening “high-risk” providers for Medicaid enrollment, re-enrollment, or revalidation. This would impact pharmacy providers that are also enrolled as durable medical equipment suppliers. If a provider is enrolled as a Medicare provider, a fingerprint scan will not be conducted.
- MSA 15-49 – Cost-Sharing Limits – Consistent with federal requirements, cost-sharing (including copayments, premiums, and coinsurance) incurred by individuals in a Medicaid household may not exceed an aggregate limit of 5% of family income. MDHHS will implement these limits on a calendar quarter basis through the tracking of claims for services as they are processed through the MDHHS Community Health Automated Medicaid Processing System (CHAMPS). For pharmacy providers, any remaining copay responsibility will be communicated in the NCPDP transaction response field 505-F5 (Patient Pay Amount). The Point of Sale system will determine whether the aggregate limit has been met.

MCO Common Formulary Project

In order to streamline drug coverage policies for Medicaid and Healthy Michigan Plan members and providers, the Michigan Department of Health and Human Services (MDHHS) will pursue a formulary that is common across all contracted Medicaid Health Plans (MHPs) for the next Comprehensive Health Plan Contract.

The current version of the Common Formulary is available at www.Michigan.gov/MDHHS >> Doing Business With MDHHS >> Health Care Providers >> Managed Care >> Medicaid Health Plans >> MCO Common Formulary.

MHPs will integrate the Common Formulary in their claims system and will begin transitioning members' drug therapies to the Common Formulary starting April 1, 2016. With the exception of drug therapies that have been grandfathered, it is expected that all members' drug therapies will be transitioned to the Common Formulary by September 30, 2016.

Joe Leonard from Walgreens Pharmacy asked about how members would be notified that the health plan is transitioning to the Common Formulary. Trish O'Keefe, Director of the Department's Pharmacy Management Division, responded that the health plan would be responsible for notifying the member and prescriber that the drug that the member is taking is not on the Common Formulary. This would apply if the member is in the Children's Special Health Care Services (CSHCS) program or is taking a maintenance drug. A member will be identified as taking a maintenance drug if the member is taking the drug for at least 620days within a period of 90 days. A policy bulletin outlining this transition plan will be issued by March 1, 2016.

Third Party Liability (TPL) Update

Sabato Caputo, Analyst in the Department's TPL section, provided an overview of recent updates made to the Department's TPL process since the last meeting:

- Pharmacy chains may now request to receive emailed spreadsheet reports listing the claims included on the monthly TPL claim void process
 - Yvonne Gallagher and Joann Mason said that they appreciated the spreadsheet reports.
- TPL plans to begin loading Express Script's roster file in January, providing more BIN/PCN/Rx Group information for pharmacy providers
- TPL will begin testing the Medimpact roster file once the Express Scripts process is implemented

System Slowdown on December 1st

Trish O'Keefe explained that a large eligibility file update loading during claim adjudication on December 1st negatively impacted claim processing times.

Validation of Medicaid-Enrolled Prescribers

ACA/Federal regulations require that all ordering/referring providers providing services to Michigan Medicaid beneficiaries be enrolled in the Michigan Medicaid Program. MSA 12-55 issued 11/1/2012 outlined these requirements and also indicated there would be soft messaging before final implementation. MSA 13-17 issued 6/1/2013 provided additional clarification and an effective date of 10/1/2013 for implementation. It also advised that ordering/referring NPI submitted on the claim, including pharmacy claims, must be a type 1 – Individual. The Pharmacy Management Division delayed

implementation due to the volume of claims that would have been denied at POS due to NPIs that were not enrolled in Michigan Medicaid. The pharmacies have been receiving soft messaging, 'Prescriber ID Is Not On State Prescriber File' since 3/9/2015.

The Department's Pharmacy Services Section Manager Helen Walley provided instructions on validating prescribers' Medicaid enrollment status. Pharmacies can verify if a prescriber is an active Michigan Medicaid enrolled provider using the following instructions:

- Sign on to CHAMPS >> My Inbox >> Provider Verification
- Input NPI
- Verify Business Status

Updates from Drug Utilization Review (DUR) and Pharmacy & Therapeutics (P&T) Meetings

The Department's Chief Medical Director Dr. Debera Eggleston provided an update on topics discussed at the DUR and P&T meetings that occurred earlier in the week:

- The DUR Board will begin an academic detailing project on Morphine Equivalent Daily Dosing.
- The P&T Committee recommended that if there is a cost-effective abuse-deterrent medication then it should be preferred over other abuse-deterrent medications
- The P&T Committee recommended that the Department add the new direct-acting antiviral hepatitis C medications with prior authorization using clinical criteria allowing the sickest individuals to begin treatment. The Department is now working on the details of implementation. Once that has occurred and any other remaining issues are addressed, the Department will be able to add these medications to the formulary listing of Medicaid covered medications.
 - Yvonne asked if the Department would make special considerations in its regular retrospective recovery process for these products. If the claim is not paid it could have the potential to shut down the pharmacy. Chris said that the Department would take this into consideration.
- The P&T Committee recommended adding Orkambi to the Michigan Pharmaceutical Products List with prior authorization
- The Department has been reviewing the recommendations made by the Governor's Prescription Drug and Opioid Abuse Task Force and will be working on a policy bulletin on medications to treat substance use disorder.
 - Ghada Abdallah from Park Pharmacy said that she is a member of several regional boards that are looking at pharmacy-based initiatives to combat substance use disorder. Dr. Eggleston said she would work with Eric Roath to engage the pharmacist community in this effort.

Next Meeting

The next Pharmacy Liaison meeting will be held on March 17, 2016 from 2:30 – 4:30 in conference rooms E & F of Capitol Commons.