Florida Medicaid
Prescribed Drug Service
Spending Control Initiatives

For the Quarter
July 1, 2017 through
September 30, 2017

Report to the Florida Legislature
July 2018
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Purpose of Report

Per section 409.912, Florida Statutes (F.S.), the Agency for Health Care Administration (Agency) shall submit quarterly reports to the Governor, the President of the Senate, and the Speaker of the House of Representatives which must include, but need not be limited to, the progress made in implementing this subsection and its effect on Florida Medicaid prescribed drug expenditures. This report includes data for the first quarter of state fiscal year (SFY) 2017-2018, July 1, 2017 through September 30, 2017.
Executive Summary

Medicaid Fee-for-Service Pharmacy

Since August 2014, the majority of Florida Medicaid recipients are enrolled in Medicaid Managed Medical Assistance (MMA) health care plans which are responsible for all facets of recipient care including reimbursement for the Medicaid pharmacy benefit. This report includes data and information pertaining to the Florida Medicaid fee-for-service (FFS) population and does not include any information on the pharmacy benefit related to Medicaid MMA plans.

Most of the Florida Medicaid recipients in FFS are dually eligible for Medicaid and Medicare so Medicare pays the pharmacy benefits, have Medically Needy coverage, or are enrolled for special services (e.g., family planning) and are receiving services and benefits that are specific to their unique needs. The nature of the Medicaid FFS pharmacy population means that the costs and utilization patterns seen in FFS pharmacy will be different from Medicaid MMA enrollees and Medicaid recipients as a whole.

FFS Caseload and Retail Prescription Costs

During the first quarter of SFY 2017-2018, 558,815 FFS pharmacy claims were reimbursed totaling $133.4 million (prior to manufacturer rebates). The number of users averaged 49,616 per month, the total number of claims averaged 186,272 per month, and the amount paid averaged $44.47 million per month during the quarter. The average number of claims per user was 3.8 claims per user, per month. During the quarter, an average of 8.7 percent of eligible recipients used the pharmacy benefit in a given month. Finally, during the quarter 19.4 percent of claims reimbursed were for brand drug products, which accounted for 90.0 percent of total expenditures before rebates.

FFS Pharmacy Cost Controls

Florida has several pharmacy cost control measures in place for the Medicaid FFS population which have proven effective at controlling costs. Specific spending control measures in place for the FFS population include:

- **Pharmacy Rebates** – Pharmaceutical manufacturer rebate revenue paid to the state is a significant offset to the retail cost of prescription reimbursement. The program continues to negotiate agreements for manufacturers to provide supplemental rebates, in addition to federally required rebates, for their brand drug products. During the first quarter of SFY 2017-2018, the average retail price for a prescription reimbursed under FFS was $238.76. After accounting for rebates received from manufacturers based on their federal rebate agreements, the average amount reimbursed per prescription was $117.02. The average amount reimbursed during the quarter after taking into account both federal rebates and state supplemental rebates was $111.23.

- **Medicaid Pharmaceutical and Therapeutics (P&T) Committee** – Created by section 409.91195, F.S., the P&T Committee makes recommendations to the Agency for the purpose of developing and maintaining the Florida Medicaid Preferred Drug List (PDL). The committee reviews all drug classes included on the PDL every 12 months, and may recommend additions to and deletions from the PDL, so that the PDL provides for medically appropriate drug therapies for Medicaid patients which can in turn achieve cost savings. The committee may also recommend prior authorization protocols for any Medicaid-covered prescribed drugs to ensure compliance with clinical guidelines, for indications not approved in labeling, and for prevention of potential overuse, misuse, or abuse.
• **Prior Authorization** – Authorization prior to reimbursement for certain drugs in specific circumstances continues. Age related prior authorization has been established for certain drugs to ensure safe and appropriate prescribing. During the first quarter of SFY 2017-2018, the Agency’s contracted FFS prescription benefit manager vendor, Magellan Rx Management (Magellan), processed 7,839 prior authorization claims, or approximately 85 prior authorization requests per day.

• **University of Florida Medication Therapy Management Communication and Care Center (MTMCCC)** – Through a contract with MTMCCC, trained pharmacists conduct comprehensive prescribed drug case management, which involves direct patient contact if the patient chooses to participate. This statewide Medication Therapy Management program can help resolve medication-related and health-related problems, optimize medication use for improved patient outcomes, and promote patient self-management of medication and disease states. This, in turn, helps reduce clinical risk and lowers prescribed drug costs to the Florida Medicaid program including reducing the rate of inappropriate spending on Medicaid prescription drugs.

• **Behavioral Health Prescribing Best Practice Guidelines** – As part of the requirements of section 409.912, F.S., Medicaid contracts with the Florida Mental Health Institute (FMHI) at the University of South Florida to develop and disseminate best practice guidelines for behavioral health drug therapy. FMHI recommendations relate to the specific needs of adults and children, coordination of care for behavioral health drug therapy management, improved patient and provider education, compliance with drug therapies, and improved outcomes.
Medicaid Fee-for-Service Pharmacy

This report details expenditures and prescribing patterns for the Florida Medicaid Prescribed Drug Service for Florida’s fee-for-service (FFS) Medicaid population. The report also provides detail on several spending control initiatives in Medicaid FFS Pharmacy.

In Florida Medicaid, most recipients have been enrolled in health plans since 2014. The plans have responsibility for virtually all of the medical care needs of their enrollees, including the Medicaid pharmacy benefit. Pharmacy claims reimbursed by health plans are not included in this report.

The following populations are excluded from enrollment in Medicaid health plans and will continue to receive pharmacy benefits under FFS:

- Family Planning Waiver
- Emergency Services for Aliens
- Women eligible for Medicaid because they have Breast or Cervical Cancer
- Medically Needy

In addition, the following populations have the option of enrolling in health plan but may choose to remain in FFS:

- Medicaid recipients who have other creditable health care coverage, excluding Medicare
- Persons eligible for refugee assistance
- Medicaid recipients who are residents of a developmental disability center
- Medicaid recipients enrolled in the developmental disabilities home and community-based services waiver or Medicaid recipients waiting for waiver services
- Children receiving services in a prescribed pediatric extended care center
- Medicaid recipients residing in a group home facility licensed under chapter 393.

Florida Medicaid FFS Pharmacy Caseload and Expenditures

Table 1 shows the SFY 2017-18 appropriations for FFS pharmacy services along with the caseload and expenditure appropriations from the previous SFY. This compares the expectations for FFS pharmacy utilization and expenditures at the start of each fiscal year.

<table>
<thead>
<tr>
<th>Prescribed Medicine</th>
<th>SFY 2016-2017 Appropriations</th>
<th>SFY 2017-2018 Appropriations</th>
<th>Expected % Change from SFY2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicaid Eligible Population</td>
<td>263,786</td>
<td>818,301</td>
<td>210%</td>
</tr>
<tr>
<td>Medicaid Prescriptions Per Month</td>
<td>272,619</td>
<td>352,720</td>
<td>29%</td>
</tr>
<tr>
<td>Medicaid Unit Cost</td>
<td>$114.47</td>
<td>$125.14</td>
<td>9%</td>
</tr>
<tr>
<td>Medicaid Total Annual Cost</td>
<td>$374,472,376</td>
<td>$529,671,936</td>
<td>41%</td>
</tr>
</tbody>
</table>

Overall, it was anticipated that Florida Medicaid FFS population eligible for the pharmacy benefit would more than double. Initial SFY 2016-17 appropriations assumed a much larger drop due to the implementation of Express Enrollment (which enrolls eligible individuals into Managed Medical Assistance immediately upon becoming Medicaid eligible) than actually occurred. In addition, Eligible Population now refers to the number of FFS recipients who could access the Medicaid pharmacy benefit, rather than the expected count of the actual number that would use the benefit, which therefore reflects a higher number than in the past. The average number of prescriptions per month was expected to rise by 29 percent while the average price per prescription was expected to rise by just over nine percent, and finally, the total cost of FFS pharmacy claims was anticipated to rise by 41
percent during the year. Table 2 compares the actual first quarter performance with the fiscal year appropriations.

### Table 2 – FFS Pharmacy Services Expenditures and Utilization Appropriations vs. Actual First Quarter, SFY 2017-2018

<table>
<thead>
<tr>
<th>Prescribed Medicine</th>
<th>SFY 2017-2018 Appropriations</th>
<th>Q1 SFY 2017-2018 Actual</th>
<th>% Difference Actual vs. Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Eligible Population (Member Months)</td>
<td>818,301</td>
<td>573,558</td>
<td>-30%</td>
</tr>
<tr>
<td>Average Prescriptions Per Month</td>
<td>352,720</td>
<td>186,272</td>
<td>-47%</td>
</tr>
<tr>
<td>Average Paid/Claim</td>
<td>$125.14</td>
<td>$238.76</td>
<td>91%</td>
</tr>
<tr>
<td>Average Total Cost Per Month</td>
<td>$44,139,328</td>
<td>$44,473,770</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: SFY 2017-2018 Appropriation data are from Medicaid Program Finance. Actual data are reported in the Florida Pharmacy Report Card, Magellan Health Services, Inc., March 2018.

During the first quarter of SFY 2017-2018, the average caseload was 30 percent lower than appropriation estimates. The average number of prescriptions per month was 47 percent below estimates, average amount paid per claim (prior to rebates) was 91 percent higher, and the average total cost per month was one percent higher than estimated. Figure 1 shows the actual FFS pharmacy expenditures for the first quarter of SFY 2017-2018 compared to the appropriation estimates.

### Figure 1 – Florida Medicaid FFS Pharmacy Expenditures Appropriations vs. Actual Spending First Quarter, SFY 2017-2018

Source: Average expenditure appropriations were calculated from the annual appropriations provided by Medicaid Program Finance. Actual expenditures were reported in the Florida Pharmacy Report Card, Magellan Health Services, Inc., March 2018

### Claims Details

**FFS Caseload and Retail Prescription Costs**

Table 3 shows the monthly totals for Medicaid FFS caseload, total pharmacy benefit users, total claims, and cost of claims for the first quarter of SFY 2017-2018 along with the first quarter/fiscal year to date
averages and totals for each category. During the quarter, a total of 558,815 pharmacy claims were reimbursed with a total of $133,421,310 paid. This equates to an average of 186,272 claims and an average of $44,473,770 paid per month. The number of users averaged 49,616 per month. During the first quarter, an average of 8.7 percent of eligible recipients used the pharmacy benefit in a given month with an average of 3.8 claims per user.

Table 3 – Monthly, Quarter Average, and Quarter Total for Caseload, Users, Claims, and Retail Prescription Costs, Medicaid FFS Pharmacy
First Quarter, SFY 2017-2018

<table>
<thead>
<tr>
<th>Metric</th>
<th>July 2017</th>
<th>August 2017</th>
<th>September 2017</th>
<th>Q1 SFY 2017-2018 Average</th>
<th>Q1 SFY 2017-2018 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member-Months</td>
<td>573,096</td>
<td>573,789</td>
<td>573,789</td>
<td>573,558</td>
<td>1,720,674</td>
</tr>
<tr>
<td>Users</td>
<td>49,589</td>
<td>52,783</td>
<td>46,477</td>
<td>49,616</td>
<td>148,849</td>
</tr>
<tr>
<td>Claims</td>
<td>186,192</td>
<td>202,859</td>
<td>169,764</td>
<td>186,272</td>
<td>558,815</td>
</tr>
<tr>
<td>Paid</td>
<td>$43,691,811</td>
<td>$49,838,844</td>
<td>$39,890,655</td>
<td>$44,473,770</td>
<td>$133,421,310</td>
</tr>
<tr>
<td>Claims/User</td>
<td>3.8</td>
<td>3.8</td>
<td>3.7</td>
<td>3.8</td>
<td>3.8 Avg.</td>
</tr>
<tr>
<td>Percent Users</td>
<td>8.7%</td>
<td>9.2%</td>
<td>8.1%</td>
<td>8.7%</td>
<td>8.7% Avg.</td>
</tr>
</tbody>
</table>

Source: Florida Pharmacy Report Card, Magellan Health Services, Inc., March 2018

Brand and Generic Drug Costs and Utilization

Generic utilization plays a significant role in controlling pharmacy costs. During the first quarter, the generic utilization rate was 75.2 percent (see Tables 4 as well as Figure 2). Generic utilization coupled with the extensive application of manufacturer rebates (see Table 5) and ongoing, detailed review of the Florida Medicaid Preferred Drug List (PDL) to consider removal of products when lower-cost, equally effective alternatives are available, helps maintain efficiency in the Florida Medicaid prescribed drug services. Table 4 details monthly, quarterly average, and year-to-date totals for metrics related to efficient utilization of generic products, the average cost of a brand and a generic prescription, the number of brand and generic prescriptions reimbursed, and the total amounts reimbursed for drug claims for the first quarter of SFY 2017-2018.

Table 4 – Utilization and Payments by Prescription Drug Type, Medicaid FFS Pharmacy
First Quarter by Month, Average, and Total, SFY 2017-2018

<table>
<thead>
<tr>
<th>Metric</th>
<th>July 2017</th>
<th>August 2017</th>
<th>September 2017</th>
<th>Q1 SFY 2017-2018 Average</th>
<th>Q1 SFY 2017-2018 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generic Utilization</td>
<td>75.3%</td>
<td>74.9%</td>
<td>75.5%</td>
<td>75.2%</td>
<td>75.2%</td>
</tr>
<tr>
<td>Brand Paid/Claim</td>
<td>$1,101.35</td>
<td>$1,122.50</td>
<td>$1,102.01</td>
<td>$1,109.37</td>
<td>$1,109.37</td>
</tr>
<tr>
<td>Generic Paid/Claim</td>
<td>$26.91</td>
<td>$27.50</td>
<td>$27.71</td>
<td>$27.37</td>
<td>$27.37</td>
</tr>
<tr>
<td>Non-Drug/Comp Paid/Claim</td>
<td>$53.32</td>
<td>$67.00</td>
<td>$63.18</td>
<td>$61.24</td>
<td>$61.24</td>
</tr>
<tr>
<td>Brand Claims</td>
<td>35,752</td>
<td>40,027</td>
<td>32,452</td>
<td>36,077</td>
<td>108,231</td>
</tr>
<tr>
<td>Generic Claims</td>
<td>140,274</td>
<td>151,936</td>
<td>128,197</td>
<td>140,136</td>
<td>420,407</td>
</tr>
<tr>
<td>Non-Drug Claims</td>
<td>5</td>
<td>8</td>
<td>7</td>
<td>7</td>
<td>20</td>
</tr>
<tr>
<td>Compound Claims</td>
<td>10,161</td>
<td>10,888</td>
<td>9,108</td>
<td>10,052</td>
<td>30,157</td>
</tr>
<tr>
<td>Brand Paid</td>
<td>$39,375,392</td>
<td>$44,930,137</td>
<td>$35,762,389</td>
<td>$40,022,640</td>
<td>$120,067,919</td>
</tr>
<tr>
<td>Generic Paid</td>
<td>$3,774,380</td>
<td>$4,178,690</td>
<td>$3,552,407</td>
<td>$3,835,159</td>
<td>$11,505,477</td>
</tr>
<tr>
<td>Non-Drug Paid</td>
<td>$22,593</td>
<td>$25,323</td>
<td>$22,902</td>
<td>$23,606</td>
<td>$70,818</td>
</tr>
<tr>
<td>Compound Paid</td>
<td>$519,446</td>
<td>$704,694</td>
<td>$552,956</td>
<td>$592,365</td>
<td>$1,777,096</td>
</tr>
</tbody>
</table>

The average paid per claim for a brand name prescription during the first quarter was over $1,109 for 108,231 total prescriptions and the average paid per claim for a generic prescription was $27.37 for 420,407 total prescriptions. This means that during the first quarter of SFY 2017-2018, while 19.4 percent of claims reimbursed were for brand drug products, these prescriptions accounted for 90.0 percent of total expenditures prior to rebates. The primary cost drivers for drug prices are usually attributable to higher priced and newly introduced drugs (compared to established drugs with generic alternatives). Figure 2 shows the percentage of claims and expenditures for brand, generic, and other drugs during the first quarter of SFY 2017-18.

**Figure 2** – Florida Medicaid FFS Pharmacy Brand Name versus Generic Utilization and Expenditures

*First Quarter, SFY 2017-2018*

![Chart showing percentage of total claims and total expenditures by brand, generic, other](image)

*Source: Calculated based on data provided in the Florida Pharmacy Report Card, Magellan Health Services, Inc., March 2018*

**Manufacturer Rebates Reduce Net Cost of Drugs to State**

Pharmaceutical manufacturer rebate revenue paid to the state is a significant offset to the retail cost of prescription reimbursement. Florida Medicaid continues to negotiate agreements for manufacturers to provide supplemental rebates, in addition to federally required rebates, for their brand drug products. These rebates reduce the total retail cost of reimbursement to community pharmacy providers and allow prescribers more choices of preferred products within therapeutic classes on the Florida Medicaid PDL.

The impact of rebates on overall pharmacy costs can be seen in Table 5. The top row of figures in the table reports the overall average retail reimbursement paid for a prescription claim, prior to any rebates received from manufacturers. The “Net Paid/Claim” row is the reimbursed amount less rebates received from manufacturers based on their federal rebate agreements. The row titled “Net Net Paid/Claims” shows the reimbursed amount net of federal and state supplemental rebates paid back to the state by pharmaceutical manufacturers. Reimbursement amounts are shown per Claim; per user, per month (PUPM), and per member (i.e., eligible recipient), per month (PMPM).
Table 5 – Average Amount Paid, Net Paid, and Net Net Paid Per Claim, Medicaid FFS Pharmacy By Month for First Quarter, SFY 2017-2018 and Total SFY To Date

<table>
<thead>
<tr>
<th>Metric</th>
<th>July 2017</th>
<th>August 2017</th>
<th>September 2017</th>
<th>Q1 and YTD SFY 2017-2018 Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid/Claim</td>
<td>$234.66</td>
<td>$245.68</td>
<td>$234.98</td>
<td>$238.76</td>
</tr>
<tr>
<td>Net Paid/Claim</td>
<td>$115.01</td>
<td>$120.42</td>
<td>$115.17</td>
<td>$117.02</td>
</tr>
<tr>
<td>Net Net Paid/Claim</td>
<td>$109.32</td>
<td>$114.45</td>
<td>$109.46</td>
<td>$111.23</td>
</tr>
<tr>
<td>Paid PUPM</td>
<td>$881.08</td>
<td>$944.22</td>
<td>$858.29</td>
<td>$896.35</td>
</tr>
<tr>
<td>Net Paid PUPM</td>
<td>$431.84</td>
<td>$462.79</td>
<td>$420.67</td>
<td>$439.33</td>
</tr>
<tr>
<td>Net Net Paid PUPM</td>
<td>$410.45</td>
<td>$439.87</td>
<td>$399.84</td>
<td>$417.57</td>
</tr>
<tr>
<td>Paid PMPM</td>
<td>$76.24</td>
<td>$86.86</td>
<td>$69.52</td>
<td>$77.54</td>
</tr>
<tr>
<td>Net Paid PMPM</td>
<td>$37.37</td>
<td>$42.57</td>
<td>$34.07</td>
<td>$38.00</td>
</tr>
<tr>
<td>Net Net Paid PMPM</td>
<td>$35.52</td>
<td>$40.46</td>
<td>$32.39</td>
<td>$36.12</td>
</tr>
</tbody>
</table>

Source: Florida Pharmacy Report Card, Magellan Health Services, Inc., March 2018

Figure 3 illustrates the amount of the average federally required and supplemental rebates received per prescription. The calculated average percentage of total pharmacy expenditures attributable to rebates is 51.0 percent of total expenditures during the first quarter for CMS rebates and 2.4 percent for supplemental rebates. Combined rebates equal 53.4 percent of total prescription costs.

**Figure 3 – Rebates Per Claim, Medicaid FFS Pharmacy First Quarter, SFY 2017-2018**

Rebate percentages are estimates based on pharmacy caseload.
Source: Florida Pharmacy Report Card, Magellan Health Services, Inc., March 2018

Figure 4 shows the distribution of the final cost of a prescription drug between the state, the federal government, and the manufacturers’ rebates. It illustrates the percentage of state general revenue dollars required for the state to offer the Florida Medicaid FFS drug benefit after federal matching funds.
and manufacturer rebate revenue are received. State general revenue accounts for only 18.6 percent of the total retail cost of FFS pharmacy services.

Figure 4 – Estimated Percentage of Final Costs by Payer, Florida Medicaid FFS Pharmacy First Quarter SFY 2017-2018

Source: Calculated from rebate information provided in Florida Pharmacy Report Card, Magellan Health Services, Inc., March 2018
Federal Financial Participation Rates reported by https://aspe.hhs.gov/basic-report/fy2017-federal-medical-assistance-percentages

Florida Medicaid FFS Prescribed Drug Services Ongoing Cost Controls

Cost-Effective Florida Medicaid PDL
The Florida Medicaid PDL continues to produce significant savings of pharmacy costs since its implementation as a mandatory component of the Florida Medicaid program in 2005. The savings are achieved two ways: 1) through efficient prescribing protocols (including cost avoidance through prior authorization and step therapy); and, 2) through the State Supplemental Rebate Program (negotiated cash rebates from manufacturers relating to placement on the PDL).

PDL Adherence – PDL Products Share of Florida Medicaid Market
Through aggressively negotiating supplemental rebates and favorable net pricing, the Florida Medicaid prescribed drug service is able to maintain an array of choices for prescribers within each therapeutic class on the Florida Medicaid PDL. Approval for reimbursement of prescriptions for products not on the PDL may be obtained through prior authorization. According to Magellan’s PDL Compliance Report (dated December 21, 2017), during the first quarter of SFY 2017-2018, PDL products represented 96.9 percent of prescriptions reimbursed by Florida Medicaid for FFS recipients and 63.7 percent of the total amount reimbursed.

The percentage of drugs prescribed on PDL remains consistently above 95 percent. The percent of total FFS pharmacy reimbursement attributable to PDL drugs trended downward during the quarter indicating that the non-PDL drugs approved through the prior authorization process were more expensive in aggregate relative to PDL drugs than in prior quarters.
Prior Authorization of Specific Drugs

As in all states’ Medicaid programs, authorization prior to reimbursement for certain drugs in specific circumstances continues. Response to prior authorization (PA) requests is immediate through automatic claim system edits or by the Florida Medicaid fiscal agent’s Pharmacy Benefits Manager (Magellan). These requests are handled within 24 hours. Requests are either approved, denied, or can result in a change in therapy. During the first quarter of SFY 2017-2018, Florida received a total of 7,839 PA requests through the call center, an average 85.2 per day, and 2,613 per month.

The following charts detail average and total metrics related to PA requests received during the first quarter of SFY 2017-2018.

Table 6 – Pharmacy Florida Medicaid FFS Prior Authorization Requests
First Quarter, SFY 2017-2018

<table>
<thead>
<tr>
<th>Metric</th>
<th>July 2017</th>
<th>August 2017</th>
<th>September 2017</th>
<th>Q1 SFY 2017-2018 Average</th>
<th>Q1 SFY 2017-2018 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total PA Requests</td>
<td>2,572</td>
<td>2,929</td>
<td>2,338</td>
<td>2,613</td>
<td>7,839</td>
</tr>
<tr>
<td>Average Per Day</td>
<td>83.0</td>
<td>94.5</td>
<td>77.9</td>
<td>85.2</td>
<td>85.2 Avg.</td>
</tr>
<tr>
<td>Total PA Requests Approved</td>
<td>2,378</td>
<td>2,648</td>
<td>2,179</td>
<td>2,402</td>
<td>7,205</td>
</tr>
<tr>
<td>% PA Requests Approved</td>
<td>92.5%</td>
<td>90.4%</td>
<td>93.2%</td>
<td>91.9%</td>
<td>91.9% Avg.</td>
</tr>
</tbody>
</table>

Source: Magellan Rx Management, March 2018

Rebate Collection Productivity

Molina Medicaid Solutions, the rebate collection contractor, performs follow-up on all unpaid or disputed invoices. In their report dated October 26, 2017, they show that as of September 30, 2017, they had achieved all requirements for collection of FFS invoiced rebates from manufacturers through the first quarter of SFY 2017-2018. Nonpaying manufacturers are reported to federal CMS. The contractor continues to refer providers who cannot or will not reverse billing errors and rebill correctly to the Agency’s Bureau of Medicaid Program Integrity.

Medication Management

Medication Therapy Management

Section 409.912, F.S., requires that the Agency implement a Medicaid prescription drug management system. The management system is required to rely on cooperation between physicians and pharmacists to determine appropriate practice patterns and clinical guidelines to improve the prescribing, dispensing, and use of drugs in the Florida Medicaid program. Further, the drug management system had to be designed to improve the quality of care and prescribing practices based on best practice guidelines, improve patient adherence to medication plans, reduce clinical risk, and lower prescribed drug costs and the rate of inappropriate spending on Florida Medicaid prescription drugs.

The statewide Medication Therapy Management (MTM) program provides interventions that help improve prescribing, dispensing, and medication usage for recipients through population-based strategies. Participating pharmacists are trained to deliver detailed medication reviews and improve coordination of medical care for patients. In April 2011, the MTM program transitioned to a patient-centered review process in which recipients may choose to speak directly via telephone with pharmacists who have real-time access to the patients’ drug profiles and medical claim histories. Feedback from recipients who chose to participate has been measurably positive, and their self-reported understanding of and compliance with their drug therapies has improved. The reviews are now performed through the University of Florida Medication Therapy Management Call Center.
Behavioral Pharmacy Management Program

The Florida Medicaid Drug Therapy Management program for behavioral health was created by the Florida Legislature in 2005. Its purpose as stated in section 409.912, F.S., is to accomplish all of the following:

- Improve the quality of behavioral health drug prescribing
- Improve patient adherence
- Reduce clinical risk
- Lower costs

The Agency contracted with the Florida Mental Health Institute (FMHI) at the University of South Florida to implement this program. Initially, the focus was to slow the escalation of expenditures on mental health prescriptions. The focus of the program has broadened to include quality and safety issues, and separate specific recommendations for children and adults.

Report Conclusion

This concludes the report of the Florida Medicaid Prescribed Drug Services Spending Control Initiatives for the first quarter of SFY 2017-2018.

Previous reports are available online at:

http://ahca.myflorida.com/Medicaid/Prescribed_Drug/presentations.shtml

Additional information related to Florida Medicaid’s pharmacy services is available on the Florida Medicaid Pharmacy Policy webpage at:

http://ahca.myflorida.com/Medicaid/Policy_and_Quality/Policy/pharmacy_policy/index.shtml