Background

Proviso language in the General Appropriations Act for State Fiscal Year 2012-13 required establishment of a pilot program to contract, by September 30, 2012, with a specialty pharmacy to manage the procurement and distribution of pharmaceutical products for Medicaid patients who have been diagnosed with central precocious puberty (CPP)\(^1\). Specifically, during the 2012 session the Florida legislature provided via HB 5001, the General Appropriations Act for State Fiscal Year 2012-13:

> From the funds in Specific Appropriations 209, the agency shall establish a pilot program that will contract with a specialty pharmacy, based in Florida, to manage the procurement and distribution of pharmaceutical products for Medipass and fee-for-service Medicaid patients diagnosed with central precocious puberty (CPP) by September 30, 2012. The pharmacy must have experience in providing specialty products and pharmaceuticals for such rare adolescent diseases. The pilot program may use standards of care developed by the Pediatric Endocrine Society to ensure its formulary is comprehensive and cost-effective. The pilot program must allow at least two products per therapeutic class. Physicians and nurses licensed in Florida will not be responsible for procuring such products unless agreed to by the agency and the contracted pharmacy. The agency will report its findings from the pilot program to the President of the Senate and the Speaker of the House of Representatives by February 1, 2013, and shall include input from diagnosing and treating physicians involved in the pilot program.

This report provides the current status of the pilot program, claim and expenditure data for prescriptions reimbursed by Medicaid for Medipass and fee-for-service patients in this pilot, and an explanation of the impact of the pilot on diagnosing and treating physicians who prescribe for these patients.

Implementation of the Pilot Program

It was determined that a Medical Services Exemption was appropriate for this contract, and a contract was executed with ICORE, the Orlando, Florida-based specialty pharmacy division of Magellan Medicaid Administration. Since contract execution, pharmaceutical products have been provided for patients with central precocious puberty through this contract.

Pre-Implementation Notice to Prescribers and Pharmacy Providers

Prior to implementation, prescribers who had ordered prescriptions for these drugs over the past year were identified and targeted for outreach by fax message and provider banner alert. These communications included a toll-free number for providers to call for more information, and instructions for how to complete the prescription order form and fax it to ICORE. Two weeks in

\(^1\) Central Precocious Puberty (CPP) is defined as the onset of secondary sexual characteristics, accelerated growth, and accelerated bone maturation caused by premature activation of the hypothalamus-pituitary-gonadal (HPG) axis.
advance of implementation of the pilot program on September 17, 2012, prescribing providers received a specific alert to the change in available pharmacy service providers for pharmaceutical products used to treat CPP. Additionally, pharmacy providers were notified to contact the toll-free number if they are presented with prescriptions for the products to treat CPP that are now distributed solely by ICORE for Medipass and Medicaid fee-for-service patients.

**Impact to Prescribing Physicians**

Florida Medicaid Medipass and the fee-for-service program currently serve approximately 277 children who have been diagnosed with CPP\(^2\). Prior to the pilot, physicians who prescribe for these patients simply gave the prescription order to the patient’s parent, who had it filled by the Medicaid-participating pharmacy of their choice. The pilot requires the prescribing physician to complete the prescription order form and fax it to ICORE, and the drug is now shipped to the physician’s office. Instructions for how to complete the prescription order form and fax it to ICORE are included on provider banner messages and the Medicaid website via this link [http://ahca.myflorida.com/Medicaid/Prescribed_Drug/pharm_thera/paforms/CPPP_Lupron_Depot_Form.pdf](http://ahca.myflorida.com/Medicaid/Prescribed_Drug/pharm_thera/paforms/CPPP_Lupron_Depot_Form.pdf).

Statements sponsored by Pediatric Endocrine Society were referenced in developing prescribing protocols for this contract.\(^3\) The revised procedures helped to identify a small occurrence of inappropriate prescribing of these drugs, and in those few cases more efficacious treatments were pursued. All patients in need of drug therapy for CPP are receiving their therapies, and claim data indicate a decrease in the total number of claims and expenditures, so some claims that may have been inappropriate have been eliminated. The next page provides more detailed claim and expenditure measures.

\(^2\) Source: Estimated from claims received October 1-December 31, 2012.

Expenditures

Due to the rare occurrence of CPP and the fewer than 300 patients in Florida who are diagnosed with this condition, Medicaid expenditures for these drugs have been relatively stable. The reimbursement rate for prescriptions filled and dispensed by the pilot specialty pharmacy is the same as that previously paid to any Medicaid pharmacy provider. During the first quarter of implementation of the specialty pharmacy program, there was a decrease in the number of prescriptions reimbursed and total expenditures. Expenditures for drugs reimbursed through the pilot for October 1-December 31, 2012 were $675,996.80. This total represents a decrease of 12.26 percent compared to the average of the previous three quarters.