MEDI-CAL DRUG USE REVIEW BOARD
MEETING MINUTES
Tuesday, May 10, 2011
11:00am – 1:00pm

Location: **Department of Health Care Services**
1500 Capitol Avenue, Training Room A
Sacramento, CA 95814

Topic	Discussion
1) CALL TO ORDER	• The meeting was called to order by Dr. Ross Miller • Board members present: Drs. Janeen McBride, Andrew Wong, Ross Miller, Patrick Finley, Robert Mowers, Marilyn Stebbins, Paul Perry, and Timothy Albertson • Board members absent: Drs. Stephen Stahl and Kenneth Schell
2) APPROVAL OF LAST DUR BOARD MINUTES	• The minutes from the February 8, 2011 meeting were reviewed. • Dr. Wong made some edits to the minutes. • The minutes were approved as amended.
3) REVIEW OF ACTION ITEMS	**a. Supply the Board with information pertaining to the current system edits, such as the prospective DUR alerts table – HP** • Dr. Ann Nguyen sent out an email several weeks ago addressing this action item. • Ann had a discussion with Pauline Chan, RPh and Vic Walker, RPh about the prospective alerts table. Since the table is so large, with over 20K lines, it would not be a good use of the Board's time. • Ann explained that the majority of drugs that have alerts activated are target drugs. The system edits for these drugs are in the DUR manual. Ann consolidated the sections of the DUR manual pertaining to the alert edits and emailed it to the Board. • Information on quantity and fill frequency limitations would be in the Contracted Drugs List (CDL). **b. Cost information that can be shared without breaking any confidentiality agreements – DHCS** • Pauline stated that DHCS has contracts that involve costs and are confidential in nature. There is a limitation as to what can be shared. However, DHCS will share what they can that is within those legal constraints. • The Annual report includes some cost savings information. **c. Process of stimulating interchange between pharmacy and medical – DHCS** • Pauline invited Neil Kohatsu, M.D., Medical Director of DHCS, Laura Ann Halliday, MD from Medical Policy, and Glenn Kan, M.D. Pharmacy Benefits Division of DHCS, to attend the meeting. • Dr. Kohatsu is unable to attend due to a schedule conflict. He asked us to inform him of any developments and would be happy to support and help the DUR program. Dr. Halliday also sent her regrets. Dr. Glenn Kan was introduced at the meeting. • We are hoping to get more individuals from medical policy to come and join us at future DUR meetings. • Dr. Ross Miller asked if it would take change in legislation to have one of the medical policy people on the DUR board as a voting member. • Vic Walker stated that a state employee has never been on the board.

	• Dr. Miller asked about the medical consultants. Pauline clarified that consultants are job titles and also are state employees. **d. Include the key for prospective alerts in future quarterly utilization reports – HP** • This has been incorporated into the report and Dr. Nguyen will go over it later.
4) 2010 DUR ANNUAL REPORT	• Pauline explained that DHCS made a decision to use the new format for the 2010 CMS Annual Report. It is in final draft pending approval by the Office of Management and Budget (OMB). • This report consists of three sections: survey, attachments, and tables. • Ann and Pauline jointly went over the CMS Annual Report. **a. CMS Survey** • Ann went over the CMS survey and highlighted the questions that were new to the survey. • Ann discussed the question pertaining to physician administered drugs, which asked if the current MMIS system performed *both* prospectively and retrospectively for physician administered drugs. Ann explained that retrospective review is currently performed but the system is currently unable to perform prospective review. Prospective review would involve review at the pharmacy and these drugs are administered at physician offices. Since only retrospective review is being done, the question was answered with a "no". • Dr. Albertson states that prospective review can apply to prospective events and not just the prospective alerts. Many of the physician administered drugs require prior authorization, which involves prospective review. • The answer to this particular question will be updated to "yes". • Dr. Miller noticed that generic utilization has gone up and asked what might have contributed to the increase. • Ann explained that in order to make the report more consistent between states, CMS provided an extract file with indicators for drugs by NDC based on what was reported by the manufacturer. This file was used to pull the data on generic utilization. Not all NDCs were reported therefore it is possible that not all drugs on the Medi-Cal database were included. This may or may not have contributed to the change in generic utilization. • Dr. Finley asked if there is any comparative information available for other states. • Pauline stated that CMS has plans to develop a database to collect and store information from annual reports from each state. This database would be useful in extracting data to facilitate state-by-state comparisons. • Pauline stated that there are some national statistics available that can be used for comparison. Pauline will forward this information on to Dr. Finley. • **Action Item: Once CMS compiles information from the Annual reports and makes the comparative data available, the Board would like that data presented to them.** • Ann informed the board that since CMS made it optional for states to apply the new format to the 2010 Annual Report, it is possible that not all states used the new format for the 2010 report. Comparative data may or may not be available in the near future, but it looks like CMS is moving in this direction. • Dr. Perry asked about the generic expenditure percentage and indicated that he was unable to duplicate the percentage from his calculation. Ann will double check the figures. **b. Attachments** • Ann discussed Attachment 1, which summarizes the prospective DUR program. The top 20 drugs for each of the top 12 alerts were listed in separate tables. • Ann pointed out that the tables showed high percentages of claims were overridden. Ann explained that these figures are overinflated due to the system's inability to capture claims that were backed out or deleted. For instance, the pharmacist may have performed an intervention but rather than taking the time to enter the intervention into the system, they deleted or backed out the claim. DUR alert claims are only captured if the pharmacist responded to the alert by entering the intervention and outcome codes. • Dr. Albertson stated that it would be worthwhile to add a paragraph explaining that. • Ann will add a paragraph to this attachment explaining the system's inability to capture deleted

	claims. • Ann went over Attachment 3 which was on retrospective DUR. • Ann stated that the acetaminophen project was included in the report because an article was published during the 2010 fiscal year, although there was no further activity on the project. • Dr. Stebbins stated that for the acetaminophen project, a problem was identified and published. • Dr. Stebbins asked if any further interventions were made in dealing with the problem. • Pauline stated that with the system change from HP to ACS, we can provide these ideas and proposals to get the new system to work in that capacity. • **Action Item: Follow-up on acetaminophen project.** • Vic Walker stated that effective April 1, 2011, Medi-Cal will not cover plain acetaminophen. • Dr. Lisa Ashton stated that a pharmacist in North Dakota came up with an algorithm to assess acetaminophen utilization. • **Action Item: Pauline Chan to follow up with Brendan Joyce, the pharmacy director in North Dakota who came up with an algorithm for acetaminophen.** • Ann pointed out that summaries of educational articles are now included in the attachment; previous reports only listed the articles. • For Attachment 4, CMS requested that DUR Board meeting minutes be included. • Attachment 5 was on generic substitution policy, which has not changed. • Attachment 6 included the Biennial Report, which evaluates the educational articles to determine if the articles had any impact on prescribing or on any of the outcomes that were measured in the original articles. • The last Biennial Report was done in late 2009. This report included eight articles. Ann went over some of the positive changes observed for the outcomes measured. • Dr. Miller asked if any of this material is publishable and if it should be a goal for the Board to get credit for some of this work, and if it would require a member of the Board to be co-authors. • Ann answered that no statistical analysis was done. • Dr. Albertson indicated that it would require getting through the state boards, human subjects committee and is not straight forward. • Pauline stated that she would like to set up a workshop to discuss the bulletins and interventions, and develop ways to measure and quantify improvements. • There are bulletins that are informative, that may or may not require statistical analysis or have the power to do so, but the process of informing providers and disseminating the information can be improved so that information can be used by providers to improve their practice. • The second part of Attachment 6 is on cost savings estimates. Savings from supplemental rebates are reflected in the $243 million figure included in the report. • Attachment 8 is on innovative practices. Pauline went over the three innovative practices used by DHCS: motion charts, Epocrates, and the Contracted Drug (CDL) Lookup Tool. • Dr. Lisa Ashton went over Attachment 9 which summarizes the e-prescribing program. • DHCS has continued to stay active in the e-prescribing program. • The California average for e-prescribing is at 13% of prescribers, while the national average is 25%. 9% percent of prescriptions are routed electronically while the national average is 18%. • These numbers exclude Kaiser and the VA. However, if they were included, the Medi-Cal average would be closer to the national average. • Los Angeles and Inland Empire counties have the most Medi-Cal recipients and the most number of claims coming into the system but have the fewest numbers of connected pharmacies and providers. • Most Medi-Cal recipients are going to independent pharmacies; however, most of these pharmacies are not connected. • The state is looking at an alternative data keying strategy to allow for secure exchange of private medication history outside of the Surescripts network. • The state is also trying to add onto a project happening in the Santa Rosa area that is already

	doing e-prescribing. • The state is also proposing comprehensive E-prescribing in Community Pharmacy programs that includes curriculum development, independent pharmacy outreach program, and utilizing schools of pharmacies to be subject matter experts and getting them connected with the regional extension centers. • Ann went over the three tables included in the report. Table 3 provides data on generic utilization and was calculated based on the NDCs and indicators provided by the CMS extract file. • The Board moved to approve the Annual Report as edited.
5) DHCS UPDATES	**a. Target Drug List and Interventions Workgroups** • Included in the agenda packet is the current target drug list, which consists of 135 drugs that were included, based on cost. • Moving forward, Pauline would like to work with the board to revise the target drug list based on the proposed guiding principles that were developed by the Board back in 2005. • These three guiding principles were: 1) drugs by therapeutic class 2) drugs with high risk or rare use, and 3) drugs with high cost and high risk. • Pauline proposed to have two work groups during the interim between now and the September board meeting. One workgroup is to work on reviewing the target drug list and make recommendations for updating the list. The second workgroup would work on interventions. • Pauline hopes to have half of the board members sign up for one workgroup and the other half for the other workgroup. • The Board agreed to Pauline's proposal of the two workgroups. **b. Survey of Other DUR Board Activities** • Dr. Ashton stated that pharmacy students were tasked with reviewing other Medicaid DUR programs across the country for activities that fit the description of the three guiding principles. The list they came up with was included in the agenda packet. **c. ADURS February 2011 Meeting Summary** The ADURs February 2011 meeting may be a source of information for the interventions workgroup. d. **DUR Manual Review Cycle** • Pauline proposed a process to review and update of the manual on a continuous basis so it will always be up to date. • Pauline proposed that the Board review sections of the manual at each board meeting over a two year cycle on an ongoing basis. e. **Outlier Claims** • Dr. Marco Gonzales gave a presentation on pharmacy outlier claims. • Dr. Gonzales defined an outlier claim as one that is twice the 99th percentile. He took the value at the 99th percentile and doubled it. (0.01x0.01=0.0001) of 30 million amounts to 3,000 claims • There are about 30 million claims each year, these outlier claims are a very small percentage of the total claims. • Examples of outlier claims are a single recipient receiving 300 clonidine patches or 61K pills of enalapril within a one year period. • This may be an order entry issue or billing issue. • These claims did not come from any particular pharmacy or were any particular type of claim. These claims are complex and mutifactorial. • The Board asked Dr. Gonzales what he would like them to do. • Dr. Albertson stated that if this is an issue of fraud and abuse, the issue should go to that department first. If it is medical or pharmacy malpractice then it should go to the Board. • Dr. Albertson proposed that this information be pulled on a regular basis and sent to Fraud and Abuse for evaluation. • Dr. Ashton suggested that quantity limits be established to prevent some of these claims

	from paying. • Dr. Gonzales stated that it is a very complicated matter and brought it to the Board's attention for them to come up with rules and a process for discussion in the future. • This sounds like an internal DHCS issue at this time. • Laurie Squartsoff, from the Utilization Management Division, stated that this may be something that can be addressed internally between the medical and pharmacy policy departments, utilization management division, and audits and investigation. The data will be reviewed to see if this is a matter that can be addressed through provider education. • Once there is a resolution, it will be brought back to the Board. • The Board will keep this as an open item for next year. • The Board motioned to move forward with Laurie Squartsoff's suggestion.
6) HP UPDATES	**Quarterly Utilization Reports (October – December 2011)** • As requested, a key for the prospective alerts has been added to table 2 of the report. • In comparison to the prior quarter, there was no significant change. However, when compared to the prior year quarter, there were some significant increases in several utilization measures. • Table 6 lists the top 20 drug classes by total dollars paid. The table showed an overall increase in claims, recipients, and total dollars paid. This trend is typical going from year to year. The only class that saw a decrease was: antihyperglycemic, insulin-response enhancers. Since the FDA issued warnings for one drug from this class, there had been significant decreases in utilization for the past years. This decrease is now starting to level off. • Table 6a lists the top 20 drug classes by total claims. This table also showed an overall increase. The only classes that had a decrease were: 1) analgesic/antipyretic, non-salicylate and 2) penicillins. • The next tables listed the top drugs by dollars paid and claims and also had overall increases as well.
7) DISCUSSION OF BOARD MEMBER PROJECTS	**a. Ongoing Projects** **i) Rheumatoid Arthritis (RA) Study** • Two abstracts have been put together. One will be presented at the ISPOR meeting in Maryland and the other will be presented at the EULAR meeting in London. • Dr. Wong passed around the two abstracts. • The overall summary was that biologic agents are being appropriately utilized and are not over utilized, since about 25% of the RA population is utilizing them. • There could be improvement in utilization of biologic agents in certain ethnic backgrounds. **ii) Antidepressants and Pregnancy** • The encrypted data was successfully received and opened a week ago. • Will see if some of Marco's preliminary findings of significant under detection and underutilization of antidepressants in pregnancy and post partum can be confirmed. **iii) Unapproved Drugs and OTC Cough and Cold Preparations** • Dr. Miller and Pauline are working on an educational notice that will go in the newsletter for providers. • The FDA has been active and vocal about processes for pulling unapproved drugs (including a number of cough and cold preparation) off the market and looking at other manufacturing processes in general. • Will have the final letter ready by the next meeting • **Action item**: **Will have the final letter ready by the Board meeting of Nov.15, 2011 to review by the Board** **b. Others** **i. Signing of Bylaws** • Included in the agenda packet are the DUR Board bylaws. This version includes the edits made at the prior board meeting. • These edits were reviewed. • Pauline would like the Board to approve the bylaws.

	• An additional edit was made on the numbering on page 5 of the bylaws. • The board approved the bylaws as edited. **ii. Election of Vice-Chair/Chair-Elect in September 2011** • According to the bylaws, at the third quarterly (September) meeting of the biennial year, there will be change of the current vice-chair (Dr Ross Miller) to chair. • An election of a new chair elect/vice-chair will take place during the September 2011 Board meeting. Pauline requested the board to consider submitting nominations for the role of chair elect/vice chair.
8) PUBLIC AND DUR BOARD COMMENTS	• There is a form provided for the Board to give feedback on today's meeting. The form can be completed and submitted now or can completed later and faxed back to DHCS attention: Pauline Chan.
9) CLOSING REMARKS AND ADJOURNMENT	• This is Dr. Ann Nguyen's last DUR meeting. Pilar Williams, Chief of Pharmacy Benefits Division, commended Dr. Nguyen for her outstanding contribution to Medi-Cal DUR Program. The Board also thanked Dr. Nguyen for her excellent work. • The meeting was adjourned at 1:05 P.M.

Action Items	**Ownership**
Once CMS compiles information from the Annual reports and makes the comparative data available, the Board would like that data presented to them.	DHCS
Follow up with Brendan Joyce, the pharmacy director in North Dakota, who developed an algorithm for acetaminophen.	DHCS
A final letter regarding unapproved Drugs and OTC cough and Cold Preparations should be ready by the next Board meeting (Nov.15, 2011) for review by the Board.	DHCS