

Governor's Meeting with the Pharmacists

McKesson Disease Management Program

- State Law passed in 2002 Session (HB1200 mandated program- this was not an option)
- Request For Information March 2002
- Request For Proposals issued June 2002
- Contract awarded December 2002
- Program launched April 2003

While McKesson was awarded the contract for disease management, it should be emphasized that **mail order is only one of six components** of the program. In an effort to work with pharmacists, we have had ongoing discussions about the potential of a mail order program component designed by the pharmacists. To date, the pharmacists have not submitted a proposal. We continue to urge our local pharmacist to come up with a proposal to provide mail order drugs.

- Only 70,000 Medicaid beneficiaries qualify for enrollment in the program. This represents less than 10% of the total Medicaid population.
- Only beneficiaries diagnosed with asthma, diabetes, and hypertension are eligible for the program.
- Beneficiaries may opt out

Health Alliance Mail Order Prescription Drugs:

- Only one component of the disease management program
- Health Alliance mail order option is not mandatory. A beneficiary must express interest in participating in this option.
- Pharmacist disease management program began in 1998 and continues to be an option available to pharmacists. However, there has always been poor provider participation and inadequate data to substantiate cost savings. Any pharmacist interested in obtaining reimbursement through this program can enroll according to program guidelines.
- Many Medicaid beneficiaries do not have adequate transportation. Many elderly patients with chronic disease cannot drive themselves to a physician. As a result, mail order prescriptions save in transportation costs as well.
- Health Alliance provides mail order prescriptions at a significantly reduced cost. Bottom line is that any and all cost containment measures must be explored and implemented with the current shortfall.

National trends

- Negotiating discounts 26 states
- Prior authorization for more prescriptions 22 states
- Use of preferred drug list 22 states
- New or higher copayments 19 states
- Seeking rebates 12 states
- Requiring use of generic drugs 9 states
- Limits on number of prescriptions per month 6 states