

## **Governor's Meeting with the Pharmacists**

### **McKesson Disease Management Program**

- State Law passed in 2002 Session
- Request For Information March 2002
- Request For Proposals issued June 2002
- Contract awarded December 2002
- Program launched April 2003

Even though McKesson was awarded the contract, we continued to have discussions with local pharmacists to discuss the potential of a disease management program. To date, a proposal has not been submitted. However, we continue to urge our local pharmacist to come up with a proposal.

- 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:**

- 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. However, there was poor provider participation and inadequate data to substantiate cost savings.
- 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