Mike DeWine, Governor
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Unified Preferred Drug List

- Beginning January 1, 2020, the Ohio Department of Medicaid (ODM) and Medicaid Managed Care Plans (MCPs) will begin using a Unified Preferred Drug List (UPDL). This is one important step toward the establishment of a single pharmacy benefit manager (PBM), as required by the Ohio General Assembly.

> *While terms like Preferred Drug List (PDL), formulary and drug coverage are often used interchangeably, PDL is the proper term for Medicaid. In Medicaid, most "preferred" drugs are available without prior authorization. All other drugs are available, as "non-preferred" drugs, but require prior authorization.*

- The Unified Preferred Drug List (UPDL) will require all Ohio Medicaid MCPs use a single preferred list of medications. In most instances, the medications on the UPDL are covered without the need to request prior authorization. Consider these examples that demonstrate the advantage of a UPDL:
    - All but one of the five MCPs have the *same* preferred drug in these categories: generic Adderall for ADHD, prenatal vitamins, certain antibiotics, and certain heart drugs.
    - Insulin is sold with three or more names, including—Lantus, Basaglar, and Toujeo. They are the exact same chemical, but MCPs may cover one and not the other. As a result, if a prescriber does not write the preferred name for the particular MCP, the pharmacy may be unable to fill an individual's prescription without extra steps and phone calls. Other examples of drug categories sold with different names include: ADHD medicine, asthma inhalers, hemophilia factor products, certain eyedrops and thyroid medicines.
    - Additionally, if a member changes MCPs, the member will not be required to change medications.

Goals

- Reduce confusion, hassles and potential delays for members. Minimizing confusion and administrative burden has been shown to improve adherence to medications for chronic conditions, which drives improved health outcomes and wellbeing for individuals suffering from those conditions.

- Ease administrative burden for prescribers by decreasing unnecessary prior authorization requirements and requiring all MCPs to use one consistent set of requirements.
- Prescribers will no longer need to learn and use five different PDLs.
- Pharmacies will benefit from a decrease in calls to providers for medication change requests and prior authorizations.
- Maximize the collection of federal and supplemental rebates, ensuring that all supplemental rebates are sent directly to ODM and are not retained by the Medicaid MCPs or their PBM.

Additional Considerations

- Some MCP members may need to change their current drug(s) or get prior approval from their MCP to avoid changing prescriptions.
- Any drug will continue to be available to MCP members, even if it is not on the UPDL. However, their prescriber may be required to get approval through the MCPs prior authorization process.
- MCPs will evaluate requests for non-preferred drugs using a standard set of prior authorization criteria provided by ODM.
    - For example, the prior authorization criteria currently used for medications for the treatment of asthma, diabetes, hemophilia, HIV, and seizures differ among the five MCPs. Using the UPDL, the criteria would be the same for all.
- Individuals on drugs, including but not limited to the following categories, may be grandfathered: HIV, Hepatitis C, Anticonvulsants, Antidepressants, Antipsychotics, Hemophilia, Pulmonary Arterial Hypertension, Alzheimer's, Multiple Sclerosis. This will enable an individual to continue their use even if the drug is not on the UPDL.

Process

- Quality Oversight
    - The ODM Pharmacy and Therapeutics Committee oversees and makes final recommendations about which drugs to include on the UPDL (O.R.C.§5164.7510).
    - Pharmacists and clinicians from MCPs will work with ODM on an ongoing basis to maintain the UPDL and the prior authorization guidelines.
- Prior Authorization
    - For drugs not included on the UPDL, MCPs will evaluate requests for non-preferred drugs using a standard set of prior authorization criteria provided by ODM.
- Reporting and Monitoring
    - The provider agreement between ODM and the MCPs establishes incentives and penalties for MCP compliance.
    - ODM will monitor to ensure MCPs follow claims processing and prior authorization turnaround time requirements.

- Claims data will be used to centrally generate invoices to collect rebates, enabling greater accountability and transparency
- Monitoring patient outcomes and adherence to chronic medications as part of a broader strategy to improve populations health outcomes.

HIGH-LEVEL UPDL TIMELINE FOR MANAGED CARE PLANS

Date	Key Deliverable
August 8, 2019	Plan UPDL Meeting – meeting with Milliman, Change Healthcare and ODM to discuss UPDL
August 22-September 4, 2019	1:1 Plan UPDL Meetings ODM distributed UPDL materials prior to the meetings to allow the plans to evaluate and provide input
August 27, 2019	Final UPDL Drug File sent to Plans
September 11, 2019	Plan UPDL Meeting – meeting with Milliman and ODM to review major classes of drugs
October 3, 2019	Final plan meeting to present full set of shift assumptions for all drugs
October 9, 2019	Plans begin testing technical file with DXC – testing will be on-going until file transfer is successful
Early to mid October, 2019	Readiness Review Tool (RRT) sent to Plans
November 1, 2019	ODM provides final member communication letter to Plans
Early to mid November, 2019	RRT tool due to be returned to ODM
November 29, 2019	Plans deliver communication letter to members
January 1, 2020	UPDL Go-live Date
January 1, 2020 – March 21, 2020	ODM monitoring of transition from MCP PDL to UPDL
April 1, 2020 – ongoing	Compliance assessed for plans not following the UPDL as specified