

# 2014 CalPERS EGWP Part D Utilization Management Edits

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for CalPERS Pension and Health Benefits Committee  
December 17, 2013



# Overview

- Reinstatement of Utilization Management Edits for 2014 EGWP Plan: History, Edits Being Reimplemented, and Communication Plan
- New Safety Edits Being Added to 2014 EGWP Plan Utilization Management

# ■ Reinstatement of Utilization Management (UM) Edits: History

- CMS caused removal of UM edits in SilverScript (CVS Caremark) EGWP plans as of first quarter of 2013
- CMS has approved SilverScript formularies with UM for 2014
  - Reinstatement of prior authorizations and quantity limit edits
- Mitigation of Disruption
  - Members that received an override (prior authorization) before the removal of utilization management will be reinstated
  - Members that received a drug that required UM after it was removed will be eligible for a transition fill of that medication
    - 30-day supply in the first 90 days
    - Transition fill letter sent to member and prescriber
    - All members will be deemed transition-fill eligible on January 1, 2014

# ■ Reinstatement of UM: Edits Being Reimplemented

- Specialty prior authorizations
- High-risk medications in the elderly
  - Medications with increased risk of adverse events in members aged 65 and older
  - Applies only to members with no claim history in last six months **AND** aged 65 and older
- Maintain B-vs-D bypass program for non-ESRD drugs
- CalPERS specific non-specialty prior authorizations
  - Anti-infective, gastrointestinal, narcolepsy, pain, Retin-A products, steroids
- CalPERS specific quantity limits
  - Diabetes, insomnia, migraine, nausea / vomiting, pain, smoking cessation

# ■ Reinstatement of UM: Communication Plan

- Annual Notice of Change (ANOC) / Evidence of Coverage (EOC)
  - Sent to members: Early September
  - Formulary sent to members: Early December
    - Outlines CalPERS custom edits
  - Microsite : October
- Targeted Utilization Management Letters
  - Sent to utilizers in December along with formulary
  - Instruct member edit will be in place January 1, 2014 and encourage working with prescriber
- Transition Fill
  - Member letter sent within three business days of fill
  - Prescriber letter sent thereafter

# ■ New Safety Edits Being Implemented in UM

- Acetaminophen quantity limits
  - Safety edits that do not allow > 4gm per day (FDA maximum)
    - Increased risk of liver failure / damage with doses > 4gm per day
    - Many recommend no more than 2 gm per day for elderly
  - CMS focused on excess utilization of acetaminophen containing and non-acetaminophen containing opioids
    - CalPERS applies edits to many of the non-acetaminophen opioids
  - Not transition-fill eligible
  - Drugs: Percocet, Vicodin, Tylenol with codeine, etc
  - Utilizers: ~ 1,250 in first seven months

# ■ New Safety Edits Being Implemented in UM

- Benzodiazepine quantity limit
  - Increased risk of altered status, confusion, falls and potential for dependence
  - Drugs: Ativan, Valium, Xanax, etc
  - Utilizers: ~ 1,200 in first seven months
- Hypnotic (sleep) medication quantity limit
  - Increased risk of altered status, confusion, falls and potential for dependence
  - Reimplementing other commercial hypnotic medication edits (Lunesta / Rozerem)
  - Drugs: Ambien, Ambien CR, Silenor, Sonata
  - Utilizers: ~ 350 in first seven months

# Discussion

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