

June 5, 2002

Dear Colleague,

During the 2001 Oregon Legislative Session, one of my top priorities was to address the escalating cost of prescription drugs in the Oregon Health Plan. After many months of effort, the 2001 Oregon Legislature passed Senate Bill 819, which directs the Department of Human Services, in conjunction with the Oregon Health Resources Commission (HRC), to develop a Practitioner-Managed Prescription Drug Plan (PMPDP). My administration is now implementing this statute requiring the state to provide the most effective prescription drugs in the most cost-effective manner to citizens covered by the Oregon Health Plan. For the first time in the history of the United States, a state Medicaid program will include a prescription drug plan that utilizes evidence-based evaluations of the effectiveness of similar medications.

To conduct the evidence-based evaluations the state contracted with the Oregon Health & Science University's Evidence-based Practice Center to review published studies. Pharmaceutical companies were also given the opportunity to submit information regarding the clinical effectiveness of drugs in two classes. The HRC appointed two subcommittees of Oregon practitioners and interested citizens to make recommendations in each class after reviewing this evidence. Twenty-five of your colleagues have met multiple times to guide this process. The evaluations for proton pump inhibitors (PPIs)/heartburn/anti ulcer drugs and long acting opioid analgesics were completed in May. Please log onto ohppr.state.or.us on the world wide web for more information on this process.

The HRC reported its findings on the effectiveness of these medications to the Department of Human Services, which in turn has evaluated their cost.

Upon adoption of the appropriate administrative rule, this combined analysis will result in the following drugs being selected as the PMPDP plan drugs in these classes:

- **PPIs/Heartburn/anti-ulcer—Pantoprazole (Protonix), Rabeprazole (Aciphex), Lansoprazole (Prevacid). H2 blockers are not affected by this process.**
- **Long acting analgesics—LA-Morphine Sulfate (generic, Kadian, Oramorph SR), Methadone (generic, Methadose, Dolophine), Levorphanol (generic, Levo-Dromoran), Transdermal Fentanyl (Duragesic). Short acting analgesics are not affected by this process.**

The Health Resources Commission is approaching professional organizations and hospital medical staffs requesting time to explain this process and it's implementation. Please take advantage of one of these presentations if possible.

The Office of Medical Assistance Programs (OMAP) will be sending a provider notice and educational material to inform you. Please use the plan drug list for the initial treatment of Oregon Health Plan Fee for Service (Open Card) patients. If in your medical judgment your Oregon Health Plan patient should receive a non-plan drug, indicate on the face of the prescription that the drug prescribed should be dispensed as written or similar language. During July, notice will be provided to pharmacists when drugs not on the plan have been prescribed, although payment will still be made for these drugs. Starting August 1 no payment will be provided for prescriptions not on the plan unless you have indicated an exception should be made. We will be communicating with you regarding subsequent selections for other drug families.

I hope you will find the evidence-based process used by the HRC and OMAP to be helpful to you and your patients. The goal is to provide additional useful information about prescription drugs, which will allow the Oregon Health Plan to provide the most effective drugs in the most cost effective manner. As the Practitioner-Managed Prescription Drug Plan process continues, please consider participating on a Health Resources Commission subcommittee.

If you or your staff have any questions or comments please email John Santa M.D. at rx.help@state.or.us or leave him a message at 503-378-2422 extension 419.

Sincerely,

John A. Kitzhaber, M.D.