Oregon Cost Growth Target
Medical Pharmacy Data Collection Pilot

January 24, 2024
10:00 AM – 11:00 AM

Oregon Health Authority

HEALTH CARE COST GROWTH TARGET

Agenda

- Introductions
- Background/pilot
- Proposed schedule
- Initial conversation/discussion of methods for identifying medical pharmacy costs

Background: Motivation

Currently, drug spending is reported in two places in CGT data submissions:

- Drug spending provided under the **medical benefit** is included in the **location in which it was delivered** (e.g., pharmaceuticals delivered in a hospital inpatient setting should be included in the *Hospital Inpatient* claims category)
- Drug spending provided under a patient's **prescription drug benefit** (i.e., obtained by a patient in a **retail setting**) is included in the *Retail Pharmacy* claims category

We want to be able to break out medical pharmacy to get a full picture of pharmaceutical spending by CGT payers and providers.

HOT TOPIC!

1/23: the CGT Advisory Committee discussed the need to discern spending on physician-administered drugs in clinical settings

Proposed Schedule

Meeting	Date	During meeting	Outside/after meeting

1	Wed, 1/24	• Discuss the basics
		  • What types of expenses should be included
		  • Medical pharmacy billing – how it works in different LOBs/contexts
		  • Most relevant codes
		• Discuss prior attempts by working group participants to identify medical pharmacy
			• OHA will create a draft spec/draft code to identify medical pharmacy spending in claims data
			• Share spec/code before meeting #2 (at least 1 week before)
			• Payer technical staff review spec, have feedback ready for meeting 2. Payer staff may also wish to start developing their own code based on the spec or adapt code shared by OHA.

2	?	• Discuss payer feedback on draft spec/code • Refine methodology	• OHA refines spec/code after meeting and shares with pilot participants • Payer technical staff pull data using spec from their own systems and are ready to report back pitfalls
3	?	• Payers to share results, obstacles • Determine whether a change to CGT data template is feasible • If template is to be updated, discuss changes	

Defining medical pharmacy

- Want to have a working definition of medical pharmacy
  - What is identifiable in claims? Only the costs of the drugs themselves, or the cost of drug administration and any supplies (ie, syringes) needed to administer drugs? **Is it possible to break out these different components?**
  - What are we considering to be drugs for the purposes of this category? Should it include pills, vaccines, chemotherapy, other injectable drugs? Things like gene therapy? Ointments?

How are medical pharmacy costs billed in different contexts?

- Inpatient, outpatient, physician's office? How do we deal with bundled costs?
- Differences in how medical pharmacy is billed by line of business. Any examples from meeting attendees?
- Which codes in medical claims are most relevant?
    - HCPCS, CPT, POS, revenue codes?
    - Margaret can share draft document with list of codes
- How do rebates come into play for medical pharmacy?

Discussion of roadblocks and attempts

- **What are known roadblocks to identifying medical pharmacy claims?**
  - General or specific to your payer system?
  - Any quirks with how a provider would bill these? Any quirks with how a payer would reimburse for them?

- **Any payers with internal attempts to collect medical pharmacy spend?**
  - Successes / failures?
  - Could you collect most (or all) medical drug spending? What was missing?

Next meeting

- Discuss best dates
- OHA to share draft spec/code prior to meeting