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TEMPORARY ADMINISTRATIVE ORDER
INCLUDING STATEMENT OF NEED & JUSTIFICATION

DMAP 32-2020

CHAPTER 410
OREGON HEALTH AUTHORITY
HEALTH SYSTEMS DIVISION: MEDICAL ASSISTANCE PROGRAMS

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& LEGISLATIVE COUNSEL

FILING CAPTION: Amending Preferred Drug List and Prior Authorization Approval Criteria Guide

EFFECTIVE DATE: 07/01/2020 THROUGH 12/27/2020

AGENCY APPROVED DATE: 06/26/2020

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NEED FOR THE RULE(S):

The Pharmaceutical Services program administrative rules (division 121) govern Division payments for services provided to certain clients. The Division needs to amend 410-121-0030 per the Drug Use Review (DUR) Pharmacy & Therapeutics (P&T) Committee's recommendations made during the June 4, 2020 meetings. The Authority needs to implement changes to the Preferred Drug List to ensure the safe and appropriate use of cost effective prescription drugs for the Oregon Health Plan's fee-for-service recipients.

0030 changes:

Preferred:

- Page 8 – addition of chlorothalidone and triamterene/hydrochlorothiazide
- Page 15 – addition of sickle cell disease class and hydroxyurea capsules

The Authority also needs to amend 410-121-0040 to update the Oregon Medicaid Fee for Service Prior Authorization Criteria Guide found at <http://www.oregon.gov/oha/HSD/OHP/Pages/Policy-Pharmacy.aspx> based on the P&T (Pharmacy and Therapeutic) Committee recommendations.

JUSTIFICATION OF TEMPORARY FILING:

The Authority finds that failure to act promptly will result in serious prejudice to the public interest, the Authority, and clients enrolled in Oregon's Medicaid program by delaying the reassessment and update of preferred drug lists and prior authorization requirements. These rules need to be adopted promptly so the Authority can ensure the safe and appropriate use of Medicaid covered drugs.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

ORS 414.353, 414.354, and OR Law 2011, chapter 720 (HB 2100): <https://www.oregonlaws.org/ors/414.361>

RULES:

AMEND: 410-121-0030

RULE TITLE: Practitioner-Managed Prescription Drug Plan

RULE SUMMARY: The Pharmaceutical Services program administrative rules (division 121) govern Division payments for services provided to certain clients. The Authority needs to amend this rule to update the Oregon Medicaid Fee for Service Preferred Drug List found at <http://www.oregon.gov/oha/HSD/OHP/Pages/Policy-Pharmacy.aspx> based on the P&T (Pharmacy and Therapeutic) Committee recommendations.

RULE TEXT:

(1) The Practitioner-Managed Prescription Drug Plan (PMPDP) is a plan that ensures that OHP fee-for-service clients have access to the most effective prescription drugs appropriate for their clinical conditions at the best possible price:

(a) Licensed health care practitioners, who are informed by the latest peer reviewed research, make decisions concerning the clinical effectiveness of the prescription drugs;

(b) Licensed health care practitioners also consider the client's health condition, personal characteristics, and the client's gender, race, or ethnicity.

(2) PMPDP Preferred Drug List (PDL):

(a) The PDL is the primary tool the Division uses to inform licensed health care practitioners about the results of the latest peer-reviewed research and cost effectiveness of prescription drugs;

(b) The PDL contains a list of prescription drugs that the Division, in consultation with the Drug Use Review (DUR)/Pharmacy & Therapeutics Committee (P&T), has determined represent the most effective drugs available at the best possible price;

(c) The PDL shall include drugs that are Medicaid reimbursable and the Food and Drug Administration (FDA) has determined to be safe and effective.

(3) PMPDP PDL Selection Process:

(a) The Division shall utilize the recommendations made by the P&T that result from an evidence-based evaluation process as the basis for selecting the most effective drugs;

(b) The Division shall ensure the drugs selected in section (3)(a) are the most effective drugs available for the best possible price and shall consider any input from the P&T about other FDA-approved drugs in the same class that are available for a lesser relative price. The Division shall determine relative price using the methodology described in section (4);

(c) The Division shall evaluate selected drugs for the drug classes periodically:

(A) The Division may evaluate more frequently if new safety information or the release of new drugs in a class or other information makes an evaluation advisable;

(B) New drugs in classes already evaluated for the PDL shall be non-preferred until the new drug has been reviewed by the P&T;

(C) The Division shall make all revisions to the PDL using the rulemaking process and shall publish the changes on the Division's Pharmaceutical Services provider rules website.

(4) Relative cost and best possible price determination:

(a) The Division shall determine the relative cost of all drugs in each selected class that are Medicaid reimbursable and that the FDA has determined to be safe and effective;

(b) The Division may also consider dosing issues, patterns of use, and compliance issues. The Division shall weigh these factors with any advice provided by the P&T in reaching a final decision.

(5) Pharmacy providers shall dispense prescriptions in the generic form unless:

(a) The practitioner requests otherwise pursuant to OAR 410-121-0155;

(b) The Division notifies the pharmacy that the cost of the brand name particular drug, after receiving discounted prices and rebates, is equal to or less than the cost of the generic version of the drug.

(6) The exception process for obtaining non-preferred physical health drugs that are not on the PDL drugs shall be as

follows:

(a) If the prescribing practitioner in their professional judgment wishes to prescribe a physical health drug not on the PDL, they may request an exception subject to the requirements of OAR 410-121-0040;

(b) The prescribing practitioner must request an exception for physical health drugs not listed in the PDL subject to the requirements of OAR 410-121-0060;

(c) Exceptions shall be granted when:

(A) The prescriber in their professional judgment determines the non-preferred drug is medically appropriate after consulting with the Division or the Oregon Pharmacy Call Center; or

(B) Where the prescriber requests an exception subject to the requirement of section (6)(b) and fails to receive a report of PA status within 24 hours, subject to OAR 410-121-0060.

(7) Table 121-0030-1, PMPDP PDL dated July 1, 2020 is adopted and incorporated by reference and is found at: www.orpdl.org.

STATUTORY/OTHER AUTHORITY: ORS 413.032, 413.042, 414.065, 414.325, 414.330 to 414.414, ORS 413.032, ORS 414.312, ORS 414.316

STATUTES/OTHER IMPLEMENTED: ORS 414.065, 414.325, 414.334, 414.361, 414.369, 414.371, 414.353, 414.354

AMEND: 410-121-0040

RULE TITLE: Prior Authorization Required for Drugs and Products

RULE SUMMARY: The Pharmaceutical Services program administrative rules (division 121) govern Division payments for services provided to certain clients. The Authority needs to amend this rule to update the Oregon Medicaid Fee for Service Prior Authorization Criteria Guide found at <http://www.oregon.gov/oha/HSD/OHP/Pages/Policy-Pharmacy.aspx> based on the P&T (Pharmacy and Therapeutic) Committee recommendations.

RULE TEXT:

- (1) Prescribing practitioners shall obtain prior authorization (PA) for the drugs and categories of drugs requiring PA in this rule, using the procedures set forth in OAR 410-121-0060.
- (2) All drugs and categories of drugs including, but not limited to, those drugs and categories of drugs that require PA shall meet the following requirements for coverage:
 - (a) Each drug shall be prescribed for conditions funded by the Oregon Health Plan (OHP) in a manner consistent with the Health Evidence Review Commission (HERC) Prioritized List of Health Services (OAR 410-141-3820 through 410-141-3825). If the medication is for a non-covered diagnosis, the medication may not be covered unless there is a co-morbid condition for which coverage would be allowed. The use of the medication shall meet corresponding treatment guidelines and be included within the client's benefit package of covered services and not otherwise excluded or limited;
 - (b) Each drug shall also meet other criteria applicable to the drug or category of drug in these pharmacy provider rules, including PA requirements imposed in this rule.
- (3) The Authority may require PA for individual drugs and categories of drugs to ensure that the drugs prescribed are indicated for conditions funded by OHP and consistent with the Prioritized List of Health Services and its corresponding treatment guidelines (see OAR 410-141-3820). The drugs and categories of drugs that the Authority requires PA for this purpose are found in the Oregon Medicaid Fee-for-Service Prior Authorization Approval Criteria (PA Criteria guide) dated July 01, 2020, adopted and incorporated by reference and found at:
<https://www.oregon.gov/oha/HSD/OHP/Pages/Policy-Pharmacy.aspx>
- (4) The Authority may require PA for individual drugs and categories of drugs to ensure medically appropriate use or to address potential client safety risk associated with the particular drug or category of drug, as recommended by the Pharmacy & Therapeutics Committee (P&T) and adopted by the Authority in this rule. The drugs and categories of drugs for which the Authority requires PA for this purpose are found in the Pharmacy PA Criteria Guide.
- (5) New drugs shall be evaluated when added to the weekly upload of the First Databank drug file:
 - (a) If the new drug is in a class where current PA criteria apply, all associated PA criteria shall be required at the time of the drug file load;
 - (b) If the new drug is indicated for a condition below the funding line on the Prioritized List of Health Services, PA shall be required to ensure that the drug is prescribed for a condition funded by OHP;
 - (c) PA criteria for all new drugs shall be reviewed by the DUR/P&T Committee.
- (6) PA shall be obtained for brand name drugs that have two or more generically equivalent products available and that are not determined Narrow Therapeutic Index drugs by the DUR/P&T Committee:
 - (a) Immunosuppressant drugs used in connection with an organ transplant shall be evaluated for narrow therapeutic index within 180 days after United States patent expiration;
 - (b) Manufacturers of immunosuppressant drugs used in connection with an organ transplant shall notify the Authority of patent expiration within 30 days of patent expiration for section (5)(a) to apply;
 - (c) Criteria for approval are:
 - (A) If criteria established in section (3) or (4) of this rule applies, follow that criteria;
 - (B) If section (6)(A) does not apply, the prescribing practitioner shall document that the use of the generically equivalent drug is medically contraindicated and provide evidence that either the drug has been used and has failed or that its use is contraindicated based on evidence-based peer reviewed literature that is appropriate to the client's medical

condition.

(7) PA shall be obtained for non-preferred Preferred Drug List (PDL) products in a class evaluated for the PDL except in the following cases:

(a) The drug is a mental health drug as defined in OAR 410-121-0000;

(b) The original prescription is written prior to 1/1/10;

(c) The prescription is a refill for the treatment of seizures, cancer, HIV, or AIDS; or

(d) The prescription is a refill of an immunosuppressant.

(8) PA may not be required:

(a) When the prescription ingredient cost plus the dispensing fee is less than the PA processing fees as determined by the Authority;

(b) For over-the-counter (OTC) covered drugs when prescribed for conditions covered under OHP; or

(c) If a drug is in a class not evaluated from the Practitioner-Managed Prescription Drug Plan under ORS 414.334.

STATUTORY/OTHER AUTHORITY: ORS 413.032, 413.042, 414.065, 414.330 to 414.414, 414.312, 414.316

STATUTES/OTHER IMPLEMENTED: ORS 414.065, 414.334, 414.361, 414.371, 414.353, 414.354