

**MEDICAID DRUG UTILIZATION REVIEW  
ANNUAL REPORT INSTRUCTIONS**

**FEDERAL FISCAL YEAR**

2010

Section 1927 (g)(3)(D) of the Social Security Act requires each State to submit an annual report on the operation of its Medicaid DUR program. Such reports are to include: descriptions of the nature and scope of the prospective and retrospective DUR programs; a summary of the interventions used in retrospective DUR and an assessment of the education program; a description of DUR Board activities; and an assessment of the DUR program's impact on quality of care as well as any cost savings generated by the program.

**This report is to cover the period October 1, 2009 to September 30, 2010 and is due for submission to your CMS Central Office by no later than September 30, 2011 . Answering the attached questions and returning the requested materials as attachments to the report will constitute full compliance with the above-mentioned statutory requirement**

**If you have any questions regarding the DUR annual report, please contact CMS at :  
DURPolicy@cms.hhs.gov**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0659. The time required to complete this information collection is estimated to average 30 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

**MEDICAID DRUG UTILIZATION REVIEW (DUR)  
ANNUAL REPORT**

**FEDERAL FISCAL YEAR**

**2010**

**I. STATE NAME ABBREVIATION**

**UT**

**II. MEDICAID AGENCY INFORMATION**

1. Identify state person responsible for DUR Annual Report Preparation.

First Name	Robyn		
Middle Name	M.		
Last Name	Seely		
Address	Utah Department of Health Division of Medicaid and Health Financing Bureau of Coverage and Re		
City	Salt Lake City	State	49
		Zip Code	84114-3102
E-Mail	rmseely@utah.gov	Phone	(801) 538-6841

2. Identify pharmacy POS vendor – (Contractor, State-operated, Other).

- Contractor     
 State Operated     
 Other

Please enter the vendor name or explain:

3. If not State-operated, is the POS vendor also the MMIS Fiscal agent?

- Yes     
 No

**III. PROSPECTIVE DUR**

1. Identify prospective DUR criteria source.

First Data Bank

Other (Specify)

2. Are new prospective DUR criteria approved by the DUR Board?

Yes     No

Please explain:

Utah Medicaid's Drug Utilization Review Board (DURB) has approved all ProDUR criteria supplied by FDB.

3. When the pharmacist receives prospective DUR messages that deny the claim, does your system:

- a) Require preauthorization
- b) Allow the pharmacist to override with the correct “conflict”, “intervention” and “outcome” codes?
- c) a) and/or b) above - depending on the situation

Additional Comments:

No claim is currently denied based upon ProDUR messages. Claims are denied for early refill and duplication edits.

4. Early Refill:

a) At what percent threshold do you set your system edit?

Non-controlled drugs:  %

Controlled drugs:  %

b) When an early refill message occurs, does the State require prior authorization?

Non-controlled drugs:  Yes  No

If 'Yes', who obtains authorization?     Pharmacist     Prescriber     Either

If 'No', can the pharmacist override at the point of service?     Yes     No

Controlled drugs:     Yes     No

If 'Yes', who obtains authorization?     Pharmacist     Prescriber     Either

If 'No', can the pharmacist override at the point of service?     Yes     No

Additional Comments:

5. Therapeutic Duplication:

a) When there is therapeutic duplication, does the State require prior authorization:

Non-controlled drugs:       Yes     No     Sometimes

If 'Yes', who obtains authorization?     Pharmacist     Prescriber     Either

If 'No', can the pharmacist override at the point of service?     Yes     No

If 'Sometimes', please explain:

Multiple medications within a class are used frequently for a synergistic approach to disease management. For example, it is not uncommon to use more than one type of insulin.

Controlled drugs:  Yes  No  Sometimes

If 'Yes', who obtains authorization?  Pharmacist  Prescriber  Either

If 'No', can the pharmacist override at the point of service?  Yes  No

If 'Sometimes', please explain:

A cumulative edit is set to deny for therapeutic duplication that occurs over a set amount. For example, the system accumulates and tracks all hydrocodone + acetaminophen dosages and limits the total quantity that can be obtained without a PA.

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See Attachment and Table Supplement

Additional Comments:

6. State has provided DUR criteria data requested on Table 1- Prospective DUR Criteria Reviewed by DUR Board, indicating by problem type those criteria with the most significant severity levels that were reviewed in-depth by the DUR Board in this reporting period.

Yes  No

7. State has included Attachment 1 – Prospective DUR Review Summary

Yes  No

8. State has included Attachment 2- Prospective DUR Pharmacy Compliance Report, a report on State efforts to monitor pharmacy compliance with the oral counseling requirement.

Yes  No

**IV. RETROSPECTIVE DUR**

1. Identify the vendor that performed your retrospective DUR activities during the time period covered by this report. (company, academic institution or other organization)

Academic Institution

University of Utah College of Pharmacy Drug Regimen Review Center

- a) Is the retrospective DUR vendor also the Medicaid fiscal agent?

Yes  No

- b) Is this retrospective DUR vendor also the developer/supplier of your retrospective DUR Criteria?

Yes  No

If 'No', please specify:

RetroDUR criteria are recommended by the DURB after careful review. Information is supplied by leading experts, studies, and other validated sources. Both Utah Medicaid staff and the University of Utah College of Pharmacy recommend retroDUR criteria to the DURB (Medicaid staff provides more recommendations than the University).

2. Does the DUR Board approve the retrospective DUR criteria supplied by the criteria source?

Yes  No

3. State has provided the DUR Board approved criteria data requested on Table 2 – Retrospective DUR Approved Criteria

Yes  No

4. State has included Attachment 3 - Retrospective DUR Screening and Intervention Summary Report

Yes  No

**V. PHYSICIAN ADMINISTERED DRUGS**

The Deficit Reduction Act requires collection of NDC numbers for covered outpatient physician administered drugs. These drugs are paid through the physician and hospital programs. Has your MMIS been designed to incorporate this data into your DUR criteria for both ProDUR and RetroDUR?

Yes  No

If 'No', when do you plan to include this information in your DUR criteria?

12-31-2021

Comments:

New point of sale replacement activities are currently underway. The new point of sale vendor may provide some capability for incorporating this. At this time, the level of capability and the timeline for obtaining it is unknown.

## **VI. DUR BOARD ACTIVITY**

1. State has included a summary report of DUR Board activities and meeting minutes during the time period covered by this report as Attachment 4 - Summary of DUR Board Activities

Yes    No

2. Does your State have a Disease Management Program?

Yes    No

If 'Yes', is your DUR Board involved with this program?

Yes    No

3. Does your State have a Medication Therapy Management Program?

Yes  No

If 'Yes', is your DUR Board involved with this program?

Yes  No

**VII. GENERIC POLICY AND UTILIZATION DATA**

1. State has included a description of new policies used to encourage the use of therapeutically equivalent generic drugs as Attachment 5 - Generic Drug Substitution Policies

Yes  No

2. Indicate the generic utilization percentage for all covered outpatient drugs paid during this reporting period, using the computation instructions in Table 3 - Generic Drug Utilization

Generic claims	<input type="text" value="1791176"/>	(Non-Innovator Multiple-Source (N))
Total claims	<input type="text" value="2380972"/>	(Single-Source (S) + Non-Innovator Multiple-Source (N) + Innovator Multiple-Source (I) )
Generic Utilization Percentage	<input type="text" value="75"/>	% (Generic claims % Total claims * 100 )

3. Indicate the percentage dollars paid for generic covered outpatient drugs in relation to all covered outpatient drug claims paid during this reporting period using the computation instructions in Table 3 – Generic Drug Utilization

Generic Dollars	<input type="text" value="41171895"/>	(Non-Innovator Multiple-Source (N))
Total Dollars	<input type="text" value="150826556"/>	(Single-Source (S) + Non-Innovator Multiple-Source (N) + Innovator Multiple-Source (I) )
Generic Expenditure Percentage	<input type="text" value="27"/>	% (Generic claims % Total claims * 100 )

## 4. Generic Drug Utilization: State Specific Considerations

- a. Do you prefer certain brand drugs over their generic counterparts due to the net cost of the drugs after rebates?

Yes  No

Adjusted Generic Utilization Percentage (if available):

- b. Are your Fee-for-service population and drug usage mix impacted by the existence of managed care pharmacy?

Yes  No

- c. Do you require or allow the dispensation of a larger days supply for certain generic drugs or require a shorter days supply for certain brand drugs?

Yes  No

- d. Do you have a limit on the number of total prescriptions or number of brand prescriptions that a member can receive?

Yes  No

- e. Are your member co-pays equal between brand and generic drugs? (e.g. \$3 each or \$0 each)

Yes  No

- f. Do you have statutory limitations or program policies which preclude management of select therapeutic classes or certain drugs? (e.g. narrow therapeutic index drugs, mental health drugs, HIV drugs)

Yes  No

Other (Please describe below. 2500 Character limit)

Current Utah statute prohibits Utah Medicaid from managing mental health drugs. This has been interpreted to include atypical antipsychotics, antidepressants, anticonvulsants, stimulants and treatments for ADHD, benzodiazepines, and sedative hypnotics. Current Utah statute also prohibits Utah Medicaid from managing immunosuppressants used to treat or prevent transplant-related rejections. See Utah Code 26-18-2.4, Medicaid drug program - Preferred drug list.

**VIII. PROGRAM EVALUATION/COST SAVINGS**

1. Did your State conduct a DUR program evaluation/cost savings estimate?

Yes     No

2. Who conducted your program evaluation/cost savings estimate? (company, academic institution , other institution)

Other

Utah Medicaid

3. State has provided the Medicaid program evaluations/cost savings estimates as Attachment 6 – Cost Savings Estimate

Yes     No

4. Please state the Estimated net savings amount. \$

19276323

5. Estimated percent impact of your state's cost savings program compared to total drug expenditures for covered outpatient drugs.

Estimated Net Savings Amount / Generic Utilization Data total  
Dollar Amount \* 100 =

**IX. FRAUD, WASTE AND ABUSE DETECTION**

1. Do you have a process in place that identifies potential fraud or abuse of controlled drugs by recipients ?

Yes     No

If 'Yes', what action(s) do you initiate? Check all that apply.

- a. Deny claim, and require pre-authorization
- b. Refer recipient to lock-in program
- c. Refer to Medicaid Fraud Control Unit (MFCU) or Program Integrity
- d. Other - Please explain

2. Do you have a process in place that identifies possible fraud or abuse of controlled drugs by prescribers ?

Yes     No

If 'Yes', what action(s) do you initiate? Check all that apply.

- a. Deny claims written by this prescriber
- b. Refer to MFCU or Program Integrity
- c. Refer to the appropriate Medical Board
- d. Other - Please explain

3. Do you have a process in place that identifies potential fraud or abuse of controlled drugs by pharmacy providers ?

- Yes
- No

If 'Yes', what action(s) do you initiate? Check all that apply.

- a. Deny claim
- b. Refer to MFCU or Program
- c. Refer to Board of Pharmacy
- d. Other - Please explain

4. Does your State have a Prescription Drug Monitoring Program (PDMP)? See Attachment 7 Prescription Drug Monitoring Program for a description of this program.

- Yes
- No

If 'Yes', please explain how the State applies this information to control fraud and abuse.

The Utah Controlled Substance Database Program is used to track and collect data on the dispensing of Schedule II-V drugs. The data is used to identify potential cases of drug over-utilization, misuse, and over-prescribing of controlled substances throughout the state.

If 'No', does your State plan to establish a PDMP?

- Yes       No

**X. INNOVATIVE PRACTICES**

1. Have you developed any innovative practices during the past year which you have included in Attachment 8 – Innovative Practices

Yes     No

**XI. E-PRESCRIBING**

1. Has your State implemented e-prescribing?

Yes     No

If 'Yes', please respond to questions 2 and 3 below.

If 'No', are you planning to develop this capability?

Yes     No

2. Does your system use the NCPDP Origin Code that indicates the prescription source?

Yes     No

3. Does your program system (MMIS or pharmacy vendor) have the capability to electronically provide a prescriber, upon inquiry, patient drug history data and pharmacy coverage limitations prior to prescribing?

Yes     No

- a) If 'Yes', do you have a methodology to evaluate the effectiveness of providing drug information and medication history prior to prescribing?

Yes     No

- b) If 'Yes', please explain the evaluation methodology in Attachment 9 – E-Prescribing Activity Summary .

Yes     No

- c) If 'No', are you planning to develop this capability?

Yes     No

## **XII. EXECUTIVE SUMMARY**

The Utah Medicaid and Health Financing Drug Utilization Review Program Managers continue to navigate complex drug utilization issues, generating significant savings while protecting quality of care for Medicaid clients.

As in the past, Prospective Drug Utilization Review (ProDUR) continues to be an important tool for Utah Medicaid. ProDUR includes use of prior authorization, quantity limits, and therapeutic warning messages at the pharmacy point of sale. Each year, ProDUR provides cost savings by identifying potential therapeutic problems (e.g. excessive dose, drug-drug interactions, etc). In order to protect clients' safety, retail pharmacists exercise their professional judgment and choose not to dispense some prescriptions generating ProDUR warnings. For the top 20 drugs alone, over \$250,000 were saved during Federal fiscal year 2010. For all drugs, savings are estimated at over \$1.27 million. ProDUR not only enhances client safety, but provides savings to Utah Medicaid.

Retrospective Drug Utilization Review (RetroDUR) is performed for Utah Medicaid through a contract with the University of Utah Drug Regimen Review Center (DRRC). In order to reduce waste, duplication, and unnecessary prescription drug utilization, the DRRC works with the medical professionals who provide prescriptions to Medicaid clients that exhibit high drug utilization. The DRRC assists the prescribers in streamlining drug therapy in order to reduce potential adverse drug reactions, unnecessary, and/or duplicate prescriptions. These efforts have resulted in a savings of over \$1.35 million over the last 12 months for which data is available (July 2009 through June 2010).

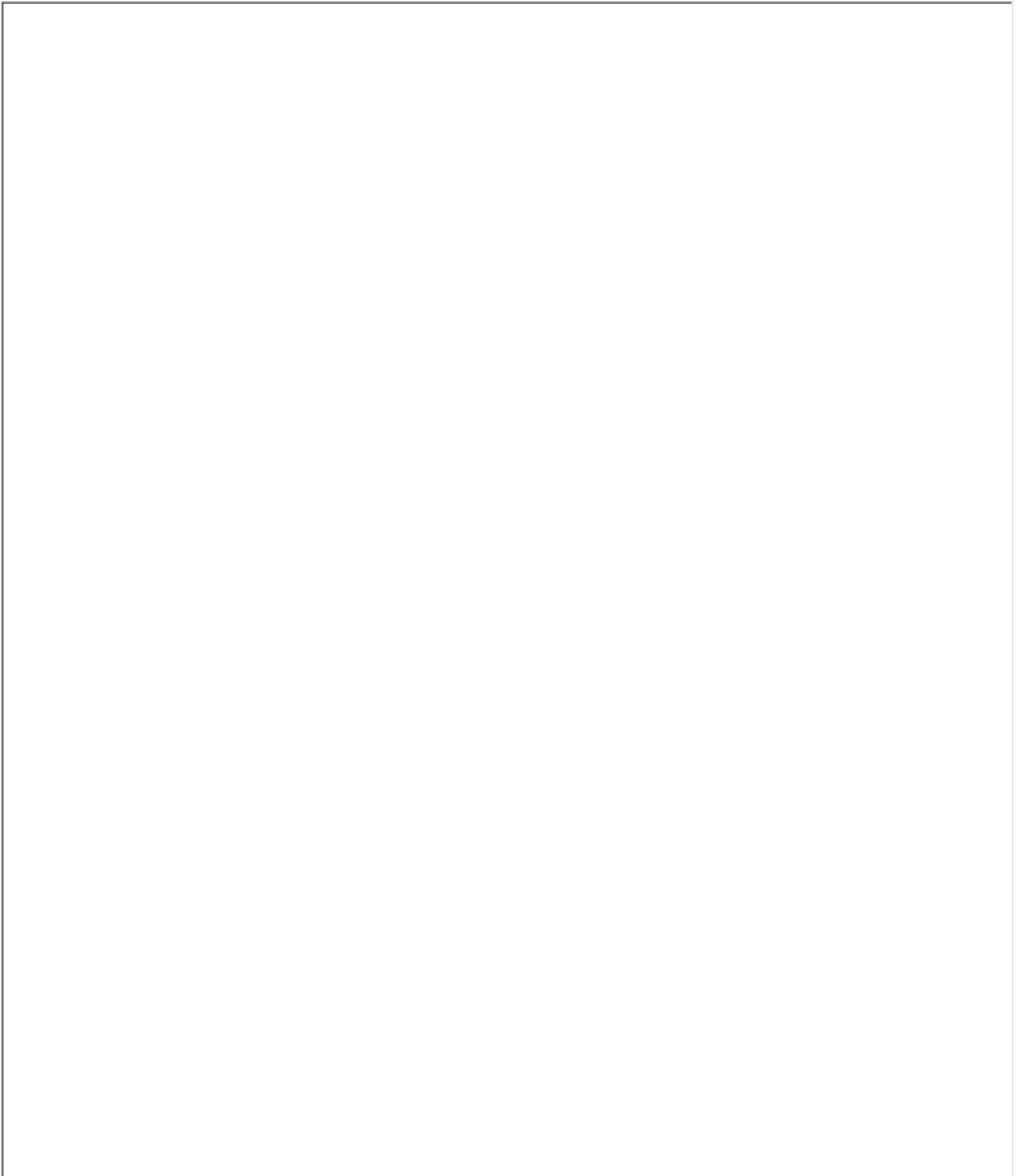
Additional ProDUR and RetroDUR activities allow Utah Medicaid's Drug Utilization Board (DURB) to provide guidance to prescribers. The Board adheres to State and Federal requirements, giving direction and suggestion through multiple means. The Board may place prior authorizations on drug products that have potential for misuse and/or cost savings. The Board also provides information and education to prescribers through newsletters. Official Board decisions are communicated via the quarterly Medicaid Information Bulletin, and are incorporated into the appropriate Medicaid manual(s).

Utah Medicaid's DURB works in cooperation with the Pharmacy and Therapeutics Committee, which manages the Preferred Drug List (PDL). The PDL is designed to control spending growth by increasing the use of preferred drugs. These drugs are selected only after they are determined to be equally safe, clinically efficacious, and cost effective compared to similar drugs on the market. The DURB approves the PDL provides support by evaluating, among other things, requests to use drugs outside of the PDL. Savings generated by employing the PDL for Federal fiscal year 2010 exceed \$16.6 million in total funds. When a multisource prescription drug is available in generic form, the DURB supports Utah Medicaid's policy of reimbursing for generic products only, unless the prescriber demonstrates a medical necessity for the branded product. In Federal fiscal year 2010, this policy generated an estimated savings of over \$148 million.

Among Utah Medicaid's innovative practices in federal fiscal year 2010 was the search for a new point of sale vendor. The selection and implementation process will incur significant costs; however, these costs will be offset by improved functionality and efficiency for many processes, many of which will directly pertain to DUR.

Utah Medicaid is pleased to report continued successes in client care and cost savings. Utah's various Drug Utilization Review tools prove effective and reliable, and will be enhanced by the implementation of a new point of sale system.

Executive Summary contd.



## ATTACHMENT AND TABLE SUPPLEMENT

### I. ATTACHMENTS

#### ATTACHMENT 1 - PRODUR REVIEW SUMMARY

This attachment is a year-end summary report on prospective DUR screening. It should be limited to the **Top 20** type/drug combinations which generate the largest number of messages. For each problem type/drug combination included, a denominator must be reported. The denominator is the total number of prescription claims adjudicated (during a given time period) for the drug compared to the number of messages generated for the problem type/drug (incorrect dosage/drug) during the same time period. Denominators permit comparison in percentage terms of the relative frequency of different problem type/drug combinations. For problem type/drug combinations involving more than one drug (e.g., drug/drug interactions), the denominator is the number of prescription claims for the drug submitted for adjudication.

Include for the **Top 20 problem type/drug alerts** with a severity of Level 1:

- \* The number of messages generated by the system and a denominator. The number of messages must relate to problem type/drug combinations (incorrect dosage/drug). Report levels of messages by problem type only, incorrect dosage or drug only are not acceptable.
- \* The number of messages overridden (i.e., adjudication process carried through to completion even though a message was generated). \*\*
- \* The number of reversals/cancellations/denials (i.e., adjudication not carried through to completion) and data on types of interventions by pharmacists and the outcomes of such interventions suing applicable NCPDP standards (e.g. Standard Format Version 5.1).
- \* The number of refill too soon messages, duplicate prescription messages transmitted and, where applicable, claims denials.

<b>Attachment Name:</b>	Attachment 1 FISCAL YEAR final composit table.xlsx
<b>Description</b>	Utah Medicaid Attachment 1. Prospective DUR Review Summary, FFY2010

## ATTACHMENT 2 - PRODUR PHARMACY COMPLIANCE REPORT

This attachment reports the monitoring of pharmacy compliance with all prospective DUR requirements performed by the State Medicaid agency, the State Board of Pharmacy, or other entity responsible for monitoring pharmacy activities. If the State Medicaid agency itself monitors compliance with these requirements, it may provide a survey of a random sample of pharmacies with regard to compliance with the OBRA 1990 prospective DUR requirement. This report details State efforts to monitor pharmacy compliance with the oral counseling requirement. This attachment should describe in detail the monitoring efforts that were performed and how effective these efforts were in the fiscal year reported.

<b>Attachment Name:</b>	Attachment 2.docx
<b>Description</b>	Utah Medicaid Attachment 2. Prospective DUR Pharmacy Compliance, FFY2010

**ATTACHMENT 3 - RETRODUR SCREENING AND INTERVENTION SUMMARY REPORT**

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This is a year-end summary report on retrospective DUR screening and interventions. Separate reports on the results of retrospective DUR screening and on interventions are acceptable at the option of the State. The report(s) should:

- \* Report the level of criteria exceptions by drug class (or drugs within the class) and problem type. (An exception is an instance where a prescription submitted for adjudication does not meet the DUR Board-approved criteria for one or more problem types within a drug class.)

**NOTE:** a) Reporting levels of criteria exceptions by only drug class (drug) or problem type is not acceptable.  
 b) Year end summary reports should be limited to the **Top20** problem types with the largest number of exceptions.

- \* Include a denominator for each drug class/problem type for which criteria exceptions are reported. A denominator is the number of prescription claims adjudicated for a drug class (or individual drugs in the class) during a given time period compared to the number of criteria exceptions for the drug class (or individual drugs in the class) during that time period.
- \* Also report, for each drug class/drug and problem type included in this summary report, the number of interventions (letters, face-to-face visits, etc.) undertaken during the reporting period.
- \* States which engage in physician, pharmacy profile analysis (i.e., review prescribing or dispensing of multiple prescriptions for multiple patients involving a particular problem type or diagnosis) or engage in patient profiling should report the number of each type of profile (physician, pharmacy, patient) reviewed and identify the subject(s) (diagnosis, problem type, etc.) involved.

<b>Attachment Name:</b>	Attachment 3.docx
<b>Description</b>	Utah Medicaid Attachment 3. Retrospective DUR Screening and Intervention Summary, FFY2010

ATTACHMENT 4 - SUMMARY OF DUR BOARD ACTIVITIES

This summary should be a brief descriptive report on DUR Board activities during the fiscal year reported.

- \* Indicate the number of DUR Board meetings held.
- \* List additions/deletions to DUR Board approved criteria.
  - a. For prospective DUR, list problem type/drug combinations added or deleted.
  - b. For retrospective DUR, list therapeutic categories added or deleted.
- \* Describe Board policies that establish whether and how results of prospective DUR screening are used to adjust retrospective DUR screens. Also, describe policies that establish whether and how results of retrospective DUR screening are used to adjust prospective DUR screens.
- \* Describe DUR Board involvement in the DUR education program. (e.g., newsletters, continuing education, etc.) Also, describe policies adopted to determine mix of patient or provider specific intervention types (e.g., letters, face to face visits, increased monitoring).

<b>Attachment Name:</b>	Attachment 4.docx
<b>Description</b>	Utah Medicaid Attachment 4. DUR Board Activity Summary, FFY2010

**ATTACHMENT 5 – GENERIC DRUG SUBSTITUTION POLICIES**

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Describe any policies used to encourage the use of generic drugs such as State maximum/minimum allowable cost (pricing, higher dispensing fee for generic and/or lower co-pay for generics). Include relevant documentation.

<b>Attachment Name:</b>	Attachment 5.docx
<b>Description</b>	Utah Medicaid Attachment 5. Generic Drug Substitution Policies, FFY2010

ATTACHMENT 6 - COST SAVINGS ESTIMATE

Include copies of program evaluations/cost savings estimates prepared by State or its contractor noting the methodology used.

<b>Attachment Name:</b>	Attachment 6.docx
<b>Description</b>	Utah Medicaid Attachment 6. Cost Savings Estimate, FFY2010

## ATTACHMENT 7 – PRESCRIPTION DRUG MONITORING PROGRAM

In FY 2002, Congress appropriated funding to the U.S. Department of Justice to support Prescription Drug Monitoring Programs (PDMPs). These programs help prevent and detect the diversion and abuse of pharmaceutical controlled substances, particularly at the retail level where no other automated information collections system exists. States that have implemented PDMPs have the capability to collect and analyze data on filled and paid prescriptions more efficiently than those without such programs, where the collection of prescription information can require a time-consuming manual review of pharmacy files. If used properly, PDMPs are an effective way to identify and prevent diversion of the drugs by health care providers, pharmacies, and patients.

<b>Attachment Name:</b>	Attachment 7.docx
<b>Description</b>	Utah Medicaid Attachment 7. Prescription Drug Monitoring Program, FFY2010

ATTACHMENT 8 - INNOVATIVE PRACTICES NARRATIVE

Please describe in detailed narrative form any innovative practices that you believe have improved the administration of your DUR program, the appropriateness of prescription drug use and/or have helped to control costs. (e.g. disease management, academic detailing, automated pre-authorizations, continuing education programs).

<b>Attachment Name:</b>	Attachment 8.docx
<b>Description</b>	Utah Medicaid Attachment 8. Innovative Practices Narrative, FFY2010

ATTACHMENT 9 – E-PRESCRIBING ACTIVITY SUMMARY

Please describe all development and implementation plans/accomplishments in the area of e-prescribing. Include any evaluation of the effectiveness of this technology (e.g. number of prescribers e-prescribing, percent e-prescriptions to total prescriptions, relative cost savings).

<b>Attachment Name:</b>	Attachment 9.docx
<b>Description</b>	Utah Medicaid Attachment 9. e-Prescribing Activity Summary, FFY2010

# ATTACHMENT 1 - PRODUR REVIEW SUMMARY

## Top 20 Drugs Generating the Most Alerts

	Warnings Generated	Claims Filled	Claims Reversed	Total Paid Amount	Total Reversed Amount	Denominator
<b>Below Adult Minimum Dose</b>						
Fluticasone	1,217	1,133	84	\$50,681.21	\$3,038.64	93.1%
<b>Above Maximum Adult Dose</b>						
Hydrocodone / APAP	1,645	1,468	177	\$90,326.55	\$15,013.32	89.2%
Oxycodone/APAP	678	605	73	\$31,629.75	\$3,168.96	89.2%
<b>Duplicate Therapy: Same Drug</b>						
Hydrocodone / APAP	1,784	1,585	199	\$197,034.09	\$25,564.82	88.8%
Quetiapine	794	718	76	\$231,500.91	\$25,258.07	90.4%
<b>Duplicate Therapy: Different Drug</b>						
Citalopram	702	636	66	\$16,587.32	\$997.96	90.6%
Clonazepam	1,741	1,514	227	\$192,469.81	\$41,162.80	87.0%
Gabapentin	1,120	1,004	116	\$122,810.41	\$17,803.72	89.6%
Hydrocodone / APAP	1,110	976	134	\$89,427.15	\$8,578.18	87.9%
Lamotrigine	1,422	1,256	166	\$166,459.16	\$32,860.11	88.3%
Morphine	1,133	1,013	120	\$91,219.82	\$12,718.46	89.4%
Oxcarbazapine	690	617	73	\$77,770.48	\$6,703.39	89.4%
Oxycodone	931	819	112	\$74,487.79	\$8,249.37	88.0%
Trazadone	1,722	1,566	156	\$10,490.91	\$1,148.34	90.9%
<b>Drug / Disease Conflict</b>						
Albuterol	2,837	2,499	238	\$92,533.36	\$7,126.91	88.1%
Hydrocodone / APAP	1,710	1,599	111	\$62,943.98	\$6,951.03	93.5%
Tramadol	681	614	67	\$29,965.37	\$4,361.70	90.2%
<b>Above Maximum Pediatric Dose</b>						
Amoxicillin	2,149	1,936	199	\$51,394.38	\$9,260.22	90.1%
Amoxicillin /K Clavulanate	1,436	1,331	105	\$31,790.25	\$4,160.98	92.7%
Cefdinir	1,921	1,730	139	\$163,969.96	\$19,588.85	90.1%
<b>Grand Total</b>	<b>27,423</b>	<b>24,014</b>	<b>2,638</b>	<b>\$1,875,492.66</b>	<b>\$253,715.83</b>	<i>Ave = 90.0%</i>

Notes: Utah's current point of sale system cannot track refill too soon messages, duplicate prescription messages, or claims denials  
 For the month of May 2010 only, there is a data error: only 15 total warnings were generated

## ATTACHMENT 2 - PRODUR PHARMACY COMPLIANCE REPORT

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The Utah State Board of Pharmacy, under the direction of the Department of Commerce, Division of Occupational and Professional Licensing, is responsible for administering and policing all aspects of the State Pharmacy Practice Act which has a provision mandating Patient Counseling on prescription drugs.

By statute, the Board of Pharmacy investigates all allegations against pharmacists. The Board monitors all pharmacists and claims, whether the claim is through Medicaid or through a different payer. While researching various allegations in Federal fiscal year 2010, failure to counsel was sometimes discovered and acted upon appropriately. Utah Medicaid does not maintain a record of how many or how often those failures to counsel occur as separate citations.

### **Utah Code 58-17b-613. Patient counseling.**

- (1) Every pharmacy facility shall orally offer to counsel a patient or a patient's agent in a personal face-to-face discussion with respect to each prescription drug dispensed, if the patient or patient's agent:
  - (a) delivers the prescription in person to the pharmacist or pharmacy intern; or
  - (b) receives the drug in person at the time it is dispensed at the pharmacy facility.
  
- (2) A pharmacist or pharmacy intern shall provide counseling to each patient, and shall provide the patient with a toll-free telephone number by which the patient may contact a pharmacist at the dispensing pharmacy during normal business hours and receive oral counseling, with respect to each prescription drug dispensed if the patient provides or the prescription is otherwise provided to the pharmacy facility by a means other than personal delivery, and the dispensed prescription drug is mailed or otherwise delivered to the patient outside of the pharmacy facility.
  
- (3)
  - (a) The provisions of Subsections (1) and (2) do not apply to incarcerated patients or persons otherwise under the jurisdiction of the Utah Department of Corrections or a county detention facility.
  
  - (b) A written communication with a person described in Subsection (3)(a) shall be used by a pharmacist or pharmacy intern in lieu of a face to face or telephonic communication for the purpose of counseling the patient.

## ATTACHMENT 3 - RETRODUR SCREENING AND INTERVENTION SUMMARY REPORT

*(This is a year-end summary report on retrospective DUR screening and interventions. Separate reports on the results of retrospective DUR screening and on interventions are acceptable at the option of the State. The report(s) should:*

- *Report the level of criteria exceptions by drug class (or drugs within the class) and problem type. (An exception is an instance where a prescription submitted for adjudication does not meet the DUR Board-approved criteria for one or more problem types within a drug class.)*

*NOTE: a) Reporting levels of criteria exceptions by only drug class (drug) or problem type is not acceptable.*

Utah Medicaid's retrospective review program reports criteria exceptions by many means including drug class, specific drug, and problem type. In addition, risk score and severity levels are included in an annual report prepared by the University of Utah Drug Regimen Review Center (DRRC) for Utah Medicaid.

*b) Year end summary reports should be limited to the Top 20 problem types with the largest number of exceptions.*

Problem types as defined in Table 2 only number 6 specific types available for reporting purposes.

- *Include a denominator for each drug class/problem type for which criteria exceptions are reported. A denominator is the number of prescription claims adjudicated for a drug class (or individual drugs in the class) during a given time period compared to the number of criteria exceptions for the drug class (or individual drugs in the class) during that time period.*

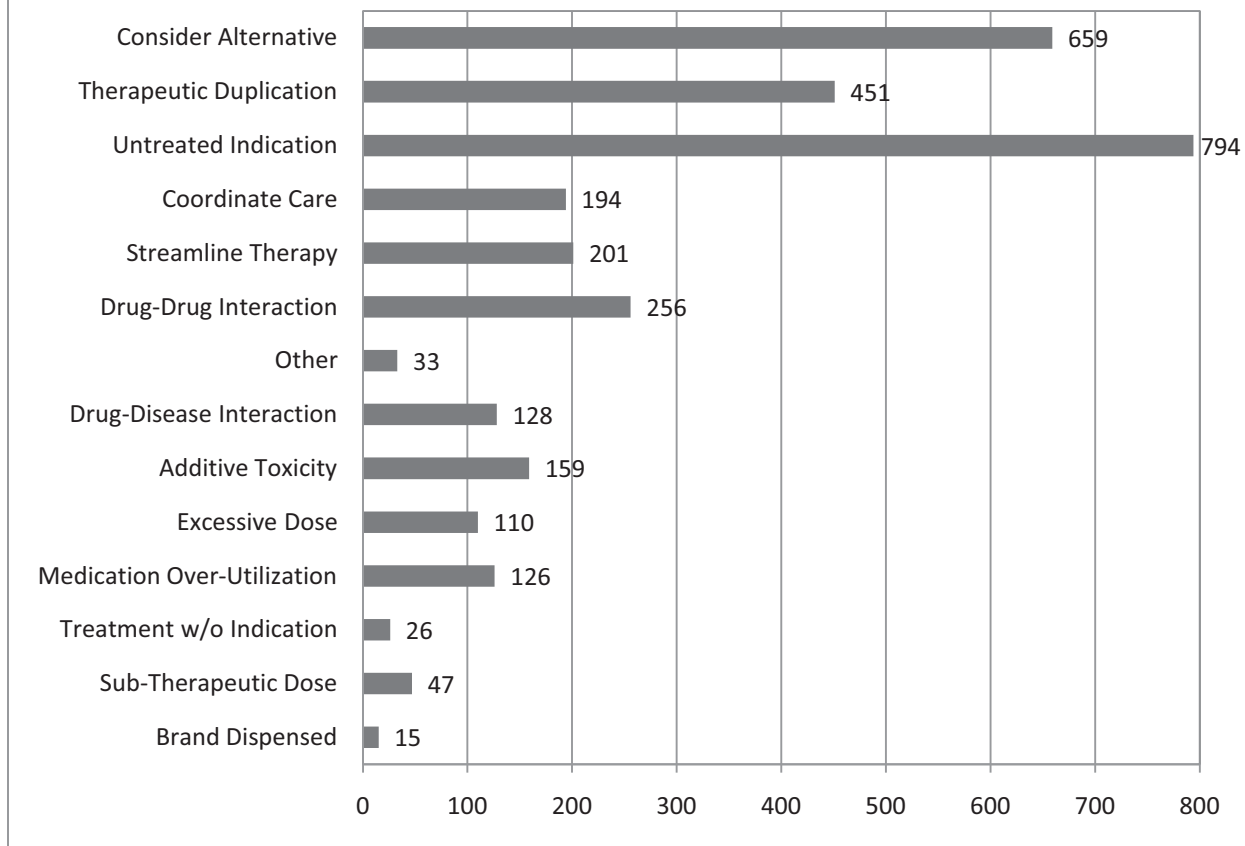
This information is reported in Attachment 1 by problem type. A summary of all problem types reported for the full Federal fiscal year 2010 time frame is included in Attachment 1. This information is specific to Prospective DUR. Retrospective DUR information is included in an annual report prepared by the DRRC for Utah Medicaid. Fourteen different problem types are included in Figure 1 of this Attachment, reproduced below.

- *Also report, for each drug class/drug and problem type included in this summary report, the number of interventions (letters, face-to-face visits, etc.) undertaken during the reporting period.*

Figure 1 illustrates the number of times an indicated problem or recommendation has been included in a letter from July 01, 2009 to June 30, 2010 (the last twelve-month period for which data is available).

## Figure 1. Letters to Prescribers

June 30, 2009 to July 01, 2010 (total 3,199)



### Drug Regimen Review Center

The DRRC began operating a review of high drug utilizing clients of the Medicaid drug program in 2002. The DRRC contacts physicians who are prescribers for identified Medicaid clients and performs educational “peer reviews” of targeted clients. Selection is based on paid drug claim history. The goal is to reduce waste, duplication, and unnecessary prescription utilization. The program has worked well and the DRRC is to be complemented. The most recent 12-month period for which there is data is July 01, 2009 through June 30, 2010, included in Figure 1 above. In that 12-month period, they have mailed 3,199 letters to prescribers with recommendations concerning Utah Medicaid patients. For the State fiscal year 2010, the DRRC program achieved at least 1.355 million dollars in savings by assisting physicians to reduce the number of prescriptions that could cause potential adverse drug reactions, or eliminate unnecessary and/or duplicate prescriptions. The DRRC is contracted with the Department for \$395,000 per calendar year. The DRRC composes a State fiscal year 2010 report for Utah Medicaid, the full text of which includes Figure 1 above, and is available upon request.

## ATTACHMENT 4 - SUMMARY OF DUR BOARD ACTIVITIES

*This summary should be a brief descriptive report on DUR Board activities during the fiscal year reported.*

- *Indicate the number of DUR Board meetings held.*  
During Federal fiscal year 2010 Utah Medicaid's DUR Board held 10 meetings.
- *List additions/deletions to DUR Board approved criteria.*
  - a. *For prospective DUR, list problem type/drug combinations added or deleted.*  
This information is summarized in Table 1.
  - b. *For retrospective DUR, list therapeutic categories added or deleted.*  
This information is summarized in Table 2.
- *Describe Board policies that establish whether and how results of prospective DUR screening are used to adjust retrospective DUR screens. Also, describe policies that establish whether and how results of retrospective DUR screening are used to adjust prospective DUR screens.*

Under Utah Medicaid, drug products that are put on Prior Authorization (PA) as a result of findings of the Drug Utilization Review Board, are reviewed after nine months. At that time criteria is examined to see if they should be broadened, restricted, or removed.

Information received from providers as to potential drug therapy related issues often lead to Retrospective Review topics. Referrals from the University of Utah College of Pharmacy's Drug Regimen Review Center (DRRC) also result in Board reviews for recommendations regarding additional criteria or needed changes.

- *Describe DUR Board involvement in the DUR education program. (e.g., newsletters, continuing education, etc.) Also, describe policies adopted to determine mix of patient or provider specific intervention types (e.g., letters, face to face visits, increased monitoring).*

The Utah DUR Board often recommends education information that is included in Medicaid's Amber Sheet newsletter. Example topics include:

- a) Amendments to, removal of, and new PA criteria
- b) Influenza updates
- c) Ordering information for free blood glucose meters
- d) Vaccination information

Patient profiling is the primary method of monitoring used in Utah's DUR program. However, prescriber profiling is often included in the review of controlled substances.

### **DUR Board Activities**

The Utah DUR Board is a group of volunteers, nominated by their respective professional organizations, whose charge it is to monitor the Medicaid Drug Program and look for opportunities to eliminate waste,

adverse drug reactions, drug over utilization and fraud. The Board consists of physicians, pharmacists, a dentist, a community advocate and a representative from the Pharmaceutical Research and Manufacturers Association (PhRMA).

The Utah DUR Board is mandated by both state and federal law. The Board meets monthly and meetings are open to the public, except for patient-specific petitions from physicians seeking drug coverage outside policy and/or criteria guidelines.

This past year the DUR Board considered 31 of these petitions. Frequently the Board requests additional information from the petitioner. Clients are not identified by either name or ID number, so confidentiality is maintained. All petitions that are rejected still have the option of requesting a formal hearing. To date, no DUR Board decision has been overturned by a hearing.

In Federal fiscal year 2010 the DUR Board discussed 22 issues over 10 meetings, placing new prior authorization requirements on 6 different drugs, and added quantity limits on an additional 7 drug products. The board reviewed drug products from 17 different drug categories and left 2 drug products prior authorization criteria unchanged. Restrictions were placed in order to assure more appropriate utilization of the medications involved. The majority were new product entries which lack historical data to compare against for savings calculations. In 2 instances the DUR Board advised the agency to remove prior authorization requirements from a drug product.

## ATTACHMENT 5 – GENERIC DRUG SUBSTITUTION POLICIES

*Describe any policies used to encourage the use of generic drugs such as State maximum/minimum allowable cost (pricing, higher dispensing fee for generic and/or lower co-pay for generics). Include relevant documentation.*

### Utah Code 58-17b-606.

#### Title 58-Occupations and Professions

(4) When a multisource legend drug is available in the generic form, the Department of Health may only reimburse for the generic form of the drug unless the treating physician demonstrates to the Department of Health a medical necessity for dispensing the nongeneric, brand-name legend drug.

(6) This section does not affect the state's ability to exercise the exclusion options available under the Federal Omnibus Budget Reconciliation Act of 1990.

As a result of this part of the Pharmacy Practice Act, Medicaid has placed all name brand products on prior approval if a generic is available, except when allowed rebates bring the cost of the brand name product lower than the generic. The mandate for the use of generics versus brand name drugs has been cost effective. In fiscal year 2010, the savings for this initiative has amounted to approximately \$147 million when the calculation is based on the average cost of multisource generic medications being priced at the average cost of a multisource brand name drug 100 percent of the time.

### PHARMACY GENERIC SAVINGS

#### Assumes 100% Brand

Drug Type	Claims	Reimbursement	Per Script
Generic (N) at Brand (I)	1,791,176	\$188,252,579.60	\$105.10
Brand (S)	425,580	\$94,192,438.34	\$221.33
Brand (I)	164,216	\$17,258,379.20	\$105.10

#### Actual

Drug Type	Claims	Reimbursement	Per Script
Generic (N)	1,791,176	\$40,086,557.74	\$22.38
Brand (S)	425,580	\$94,192,438.34	\$221.33
Brand (I)	164,216	\$17,258,379.20	\$105.10

**GENERIC SAVINGS:      \$148,166,021.86**

## **ATTACHMENT 6 – COST SAVINGS ESTIMATES**

### **Preferred Drug List**

The actions that the DUR Board adopted for Federal fiscal year 2010 involved new product entries coming to market which lack historical data for comparison.

As a strategy for managing Medicaid expenditure the Division of Health Care Financing within the Utah Department of Health recommended a Preferred Drug List (PDL) to the Utah State Legislature. The PDL was approved with the passage of Senate Bill 42 during the 2007 legislative session.

Utah Medicaid's PDL is designed to control spending growth by increasing the use of preferred drugs. These drugs are selected after they are determined to be safe, clinically efficacious, and cost effective compared to similar drugs on the market. The program became operational in October 2007 without the requirement of Prior Authorization (PA) for non-preferred drugs. Although it was a voluntary program, it was still able to reduce Medicaid claim expenses by approximately \$1.9 million in total funds its first Federal fiscal year (2008). The second Federal fiscal year, \$7.3 million in total funds were saved. In the third year, Federal fiscal year 2010, total funds savings were \$16.6 million.

Cost savings for this program have been independently verified through an audit by the accounting firm of KPMG LLP Advisory Services. The objective of this review was to assist the State of Utah in reviewing the methodology used to assess the effectiveness, and the projected cost savings, of the PDL.

### **Prospective Drug Utilization Review**

Attachment 1 provides information regarding the top 20 drugs generating the most Pro-DUR alerts in Federal fiscal year 2010. Similar reports, though not attached, were generated for each month of the fiscal year, including not only the top 20, but all drugs. Total monies captured from claims that were reversed as a result of Pro-DUR alerts were added for the twelve months. Pro-DUR reversals resulted in \$1,273,549 total funds in Federal fiscal year 2010.

### **Retrospective Drug Utilization Review**

The University of Utah's Drug Regimen Review Center generates an annual report for Utah Medicaid. The latest report includes information from July 01, 2009 to June 30, 2010. During this period it is conservatively estimated that Retrospective Drug Utilization Review has saved more than \$1,355,202 total funds for Utah Medicaid.

## **ATTACHMENT 7 – PRESCRIPTION DRUG MONITORING PROGRAM**

In fiscal year 2002, Congress appropriated funding to the U.S. Department of Justice to support Prescription Drug Monitoring Programs (PDMPs). These programs help prevent and detect the diversion and abuse of pharmaceutical controlled substances, particularly at the retail level where no other automated information collections system exists. States that have implemented PDMPs have the capability to collect and analyze data on filled and paid prescriptions more efficiently than those without such programs, where the collection of prescription information can require a time-consuming manual review of pharmacy files. If used properly, PDMPs are an effective way to identify and prevent diversion of the drugs by health care providers, pharmacies, and patients.

### **Utah Controlled Substance Database**

See Utah Code 58-37F, Controlled Substance Database Act

#### The Program

The Utah Controlled Substance Database Program was legislatively created and put into effect on July 1, 1995. It is used to track and collect data on the dispensing of Schedule II-V drugs by all retail, institutional, and outpatient hospital pharmacies, and in-state/out-of-state mail order pharmacies. The data is disseminated to authorized individuals and used to identify potential cases of drug over-utilization, misuse, and over-prescribing of controlled substances throughout the state.

#### The Requirement

All retail, institutional, outpatient hospital pharmacies, and in-state/out-of-state mail order pharmacies in Utah that dispense prescriptions for Schedule II-V drugs are required to report. Controlled substances dispensed (administered) to an inpatient at a licensed health care facility are exempt from reporting. A file containing records of each Schedule II-V drugs dispensed must be completed and submitted by the pharmacist-in-charge to the program manager once a week for the previous seven days.

#### Collection of Data

The required data may be reported by modem, an encrypted attachment to e-mail, or paper. Generally, the media used is dependent on the pharmacy software used. All transactions must be submitted at the end of each month no later than ten days following the end of every calendar month. Data may be submitted monthly or more often (i.e., weekly or bi-weekly). All submissions are required to include a Data Transmission Form.

## **ATTACHMENT 8 - INNOVATIVE PRACTICES NARRATIVE**

*Please describe in detailed narrative form any innovative practices that you believe have improved the administration of your DUR program, the appropriateness of prescription drug use and/or have helped to control costs. (e.g., disease management, academic detailing, automated pre-authorizations, continuing education programs).*

### **Streamlining Annual Drug Utilization Review Reports**

Each year the state of Utah prepares extensive Drug Utilization Review (DUR) reports for both the Federal and State governments. Each report is time consuming, taking resources from DUR activities in order to report on DUR activities. In order to streamline these efforts, the State report has adapted the format and covered timeline of the Federal report. The Federal report covers the Federal fiscal year, for example, Federal fiscal year 2010 is October 2009 to September 2010. The State report previously covered the State fiscal year, for example, State fiscal year 2010 is July 2009 to June 2010. Starting with the report submitted this year for fiscal year 2010, the State will accept a report in the same format, covering the same time period as the fiscal year. This, in effect, allows the Federal DUR report to also serve as the State DUR report with only minor changes, allowing those involved in the preparation more time to perform daily DUR activities.

### **Requesting Proposals for an Outside Point of Sale Vendor**

In Federal fiscal year 2010, a Request for Proposal (RFP) was issued inviting any interested vendors to submit a proposal for managing Utah Medicaid's Point of Sale (POS) system. Significant costs, both monetary and administrative, will be required of Utah Medicaid in order to choose and initiate a vendor, but many processes, including many pertaining to DUR, will be made more efficient, and information more readily accessible. This selection and initiation project continues into Federal fiscal years 2011 and 2012.

### **Diversion of Utah Medicaid Non-Emergent Emergency Department Usage**

In Federal fiscal year 2008, Utah Medicaid was awarded a grant to study the expansion of the Care Coordination and Restriction Program to allow the State early identification of recipients receiving non-emergent Emergency Department (ED) care. The goals of the program were to reduce the volume of non-emergent use of the ED, especially targeting frequent ED visitors, and to save dollars by diverting recipients to more appropriate primary or urgent care alternatives. The program has been met with great success and monies have been extended to allow its continuation. Program employees monitor non-emergent use of the ED and contact recipients in a timely manner to provide education regarding appropriate use of the ED. The staff member then assists the recipient in finding a primary care home. If a recipient has inappropriately visited the ED multiple times, they may be placed in the Care Coordination and Restriction Program.

The Program has been very successful in decreasing both inappropriate emergency department visits and associated spending. From Federal fiscal year 2009 to Federal fiscal year 2010, the percentage of recipients seeking unnecessary emergency care has decreased by almost half, from 24 to 11 percent. The number of repeat non-emergent ED visits has decreased by 55 percent. During the initial three months of the Program, 2,876 representative patients' ED use was studied, and a conservative \$2 million in savings was estimated. Recipients who are enrolled in the Restriction Program as a result of excessive ED use afford a monthly average savings of \$156 per recipient.

## **Utah Medicaid Hemophilia Case Management Program**

Utah implemented its Medicaid Hemophilia Case Management program in July 1998. This was done under a Modification to Utah's Choice Of Health Care Delivery Program 1915(B) Waiver. It allowed for the development of a Hemophilia case management and medication therapy program that allowed for reduced errors of duplication, less medication waste, and increased monitoring and education for hemophilia patients. Under this program Case Managers must be LPN/RN with at least one year hemophilia experience. They must also visit patients in their home at least monthly. The Case Managers also work with the patients and their treating physicians to develop case management plans and teach patients to keep monthly logs of all bleeds, medication use, histories of injuries, and completed education modules.

Under this program outdated quantities of antihemophilic factor over one percent per year are unacceptable. All clients must receive service from their case manager within 12 hours of a bleed. Medicaid receives quarterly reports regarding number of visits each patient received per month and treatment program efficacy. The Hemophilia Case Management program provides each patient with a mobile phone for the duration of their participation in the program. The phone has the capability to electronically record their monthly bleeds, medication use (antihemophilic and other), histories of injuries, and completed education modules. These records are sent regularly to treating physicians and case workers. Annual savings for drug product and dispensing fees alone average approximately \$2 million per Federal fiscal year for only 25 patients.

## **ATTACHMENT 9 – E-PRESCRIBING ACTIVITY SUMMARY**

*Please describe all development and implementation plans/accomplishments in the area of e-prescribing. Include any evaluation of the effectiveness of this technology (e.g., number of prescribers e-prescribing, percent e-prescriptions to total prescriptions, relative cost savings).*

The Utah Health Information Network (UHIN) provides a low cost solution for exchanging administrative and clinical data through a secure internet gateway. Additionally, UHIN supports the exchange of images (DICOM). Most Utah payers, including Utah Medicaid, are connected with UHIN in addition to thousands of National payers and a majority of Utah Healthcare Providers. Through UHIN providers and payers can participate in The Clinical Health Information Exchange (cHIE).

cHIE provides for medical professionals a way to share and view patient information in a secure electronic manner. This information is accessible, with patient consent, to authorized users while maintaining the highest standards of patient privacy. Also available is e-prescribing, Electronic Health Records (EHR) and e-prescriptions. This program began on May 10, 2010.

Utah Medicaid currently does not have the data necessary to approximate the percentage of primary care clinics that have adopted an EHR in their practice. Most EHR has e-prescribing functionality. However, information on actual usability and performance evaluation is not yet available. Data are not yet available for the number of prescribers e-prescribing, percent e-prescriptions to total prescriptions, or relative cost savings at this time.