

Ohio Department of Medicaid Single Pharmacy Benefit Manager

OSMA Medicare & Medicaid Update

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Agenda

- **Overview of new Ohio Medicaid model with functions of each vendor/functional area**
- **Overview of single PBM**
- **PAHP overview**
- **Operational processes, including PAs and appeals**
- **Notifications of the changes**

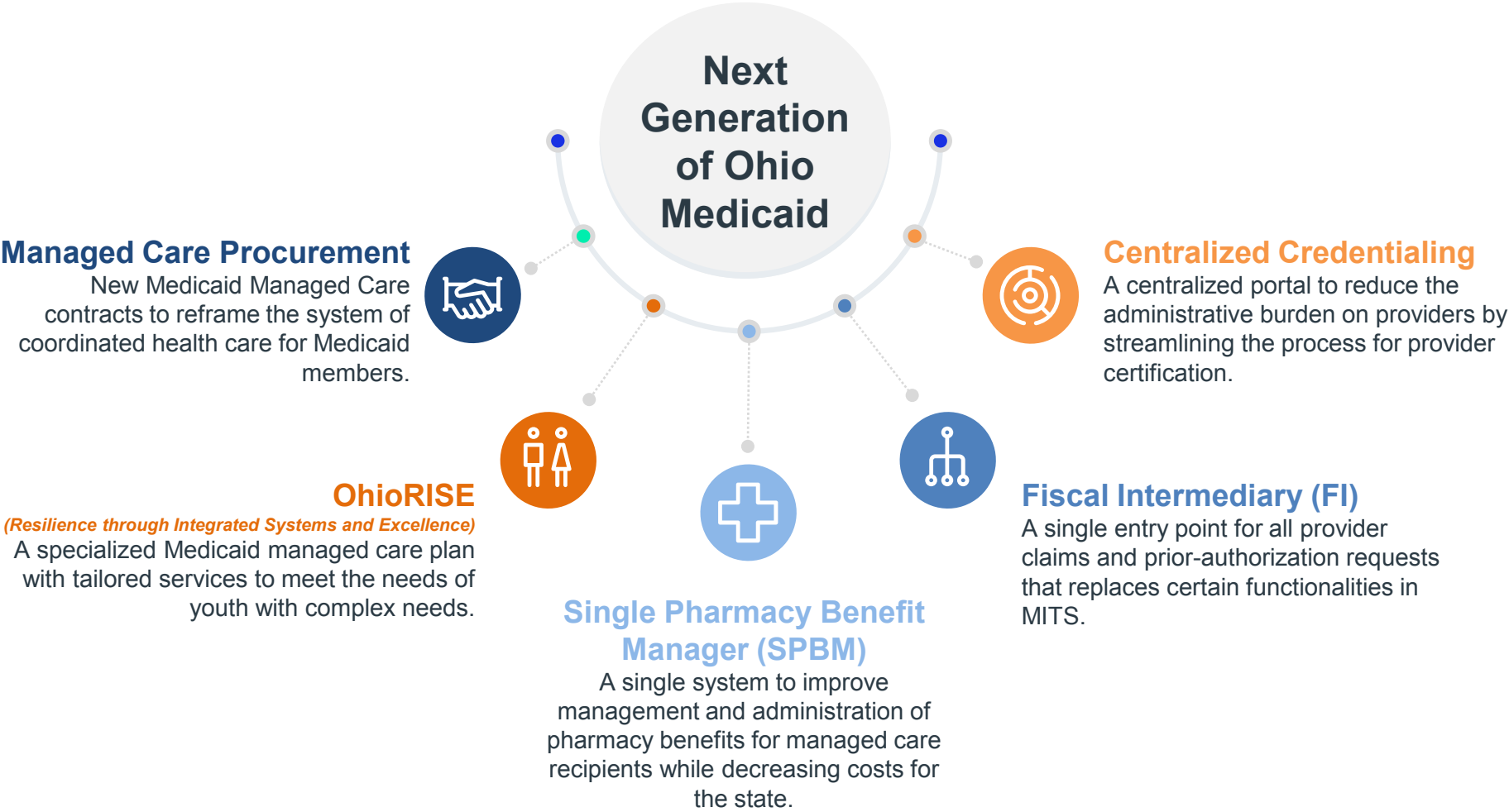


Next Generation of Managed Care: Mission Statement



Next Generation of Managed Care in Ohio

Focus is on the individual with strong partnership among MCOs, vendors and ODM to address critical needs








Next Generation of Managed Care

- Improve the design, delivery, and timeliness of care coordination
- Ohio Department of Medicaid (ODM) will be working with the following agencies to provide a more seamless and individualized experience for both the patients and providers:
 - Ohio Department of Job and Family Services (ODJFS)
 - County Departments of Job and Family Services (CDJFS)
 - Ohio Department of Mental Health Addiction Services (OHMHAS)
 - Ohio Department of Developmental Disabilities (DODD)
 - Ohio Department of Aging



Next Generation of Managed Care: Program Goals

- **Improve wellness & health outcomes**
 - Desire open access to data across all entities involved in the Ohio Medicaid system to support development of approaches to improve health outcomes
 - Request more detailed & consistent guidance regarding managed care plan network adequacy
 - Desire tools & aggregated data to support effective population health management
- **Emphasize a personalized care experience**
 - Appreciate the State's focus on the individual as a guiding principle
 - Support taking a more person-centered, collaborative approach that allows members to be active participants in their health care
 - Suggest a focus on care delivery strategies that are culturally relevant and foster respect and empathy
- **Support providers in better patient care**
 - Desire a consistent experience when serving Ohio Medicaid members – regardless of their managed care plan – and interacting with Ohio Medicaid
 - Support streamlining administrative tasks such as provider credentialing & claims processing
 - Cautioned against inadvertently adding layers of complexity when implementing efforts to streamline processes through centralization
- **Improve care for children & adults with complex needs**
 - Cautioned that separating behavioral & physical health services for some populations may reduce managed care plans' ability to coordinate care holistically
 - Desire more clarity regarding who is responsible for providing specific behavioral health services & which children are eligible to receive them
 - Support child-centric provider relationships
- **Increase program transparency & accountability**
 - Desire increased sharing and consistency of data across all entities involved in the Ohio Medicaid system
 - Support use of templates and centralized tools, such as dashboards, to monitor performance

Next Generation of Managed Care: Single Pharmacy Benefit Manager

During the SFY 2020 budget, the Ohio General Assembly mandated that ODM procure a single pharmacy benefit manager (SPBM) for all Medicaid managed care pharmacy claims

The **SPBM** will process ambulatory pharmacy benefits for all Medicaid members enrolled in managed care organizations (MCOs) excluding MyCare

- Consolidates adjudication, payment, PAs, and management of the pharmacy benefit for members in all ODM-contracted MCOs
- Decreases provider burden with consolidation of policies, criteria, and medications not addressed on the UPDL
- Coordinates with each of the MCOs to support claims processing, prior authorization, and other member care functions

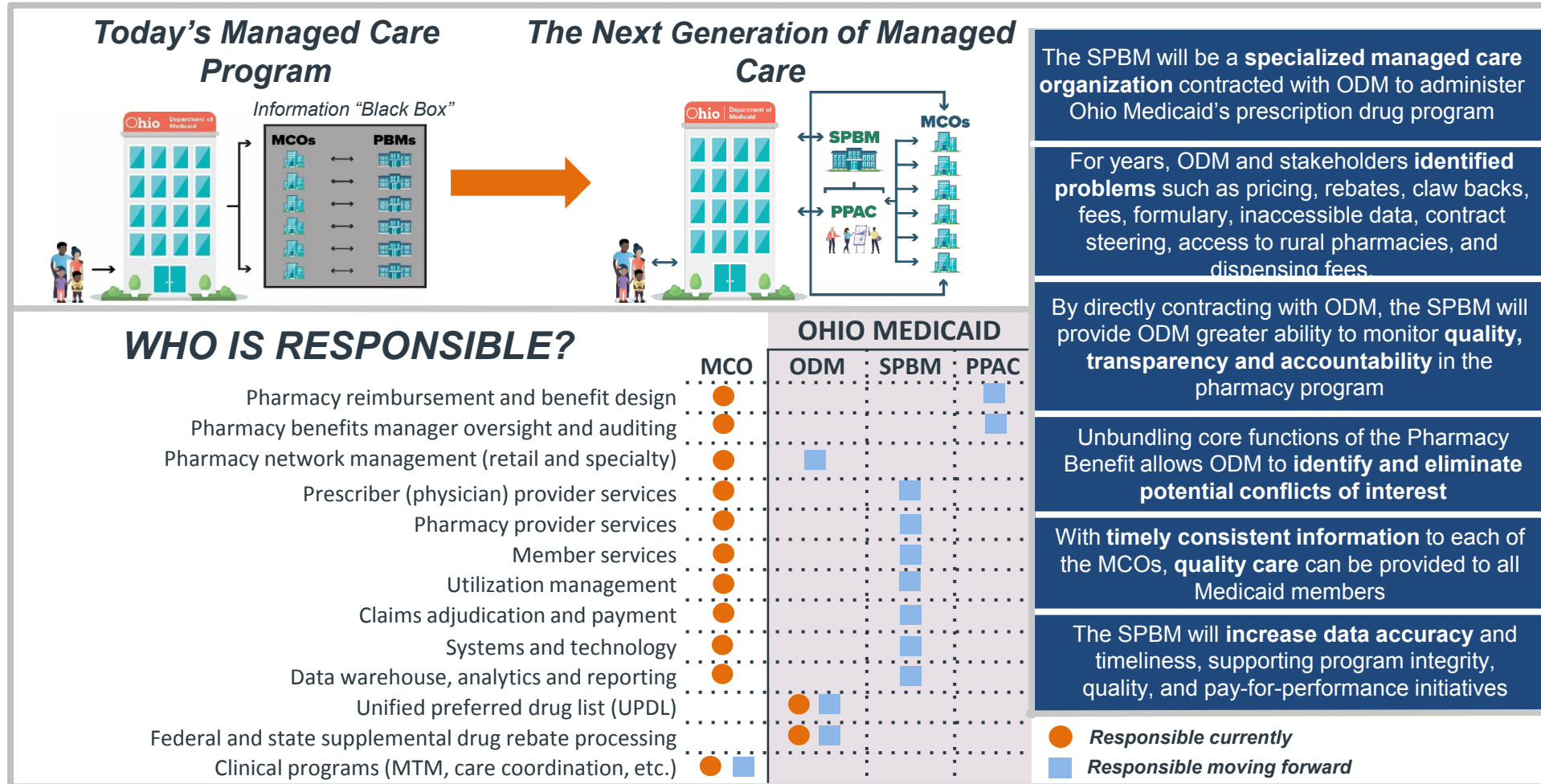
Next Generation of Managed Care: SPBM Facts

- Not at financial risk for changes in utilization
- CMS-certified OMES (Ohio Medicaid Enterprise System) module
- Prepaid ambulatory health plan (PAHP) – a managed care entity
- Pharmacies will be compensated using a transparent pass-through method of payment funded by ODM and determined in collaboration with the Pharmacy Pricing and Audit Consultant
- SPBM is prohibited from requiring a member to obtain a prescribed product from a pharmacy owned by, operated by, or affiliated with the SPBM or participates in any arrangement that may present a conflict of interest with the SPBM's obligation to ODM

Next Generation of Managed Care: SPBM Project Goals & Benefits

- Improve member access to retail, mail-order, and specialty pharmacy
- Support and reward pharmacy quality and improved clinical outcomes
- Encourage pharmacy innovation
- Enhance coordination among stakeholders (pharmacies, prescribing providers, MCOs, etc.)
- Achieve transparency, simplicity, accountability, and alignment of payment to value for pharmacy benefits
- Increase fiscal responsibility and management of pharmacy spend
- Assist in addressing problems such as pricing, rebates, claw backs, fees, inconsistent clinical criteria, inaccessible data, contract steering, access to rural pharmacies, dispensing fees
- Minimize/avoid conflicts of interest in pharmacy administration and payment
- Improve pharmacy data quality, data exchange, and data analytics
- Increase data accuracy and timeliness, supporting program integrity, quality, and pay-for-performance initiatives

Next Generation of Managed Care: SPBM Responsibilities



Next Generation of Managed Care: Prepaid Ambulatory Health Plan (PAHP) History

2002: Final MCD Managed Care Rule created 4 categories:

- Managed Care Organization
- Primary Care Case Management
- Prepaid Inpatient Health Plans
- Prepaid Ambulatory Health Plans (ex. dental, transportation, pharmacy)

These differentiations were made based on:

- Financial risk
- Contractual obligations
- Scope of services
- Capitation rates

Next Generation of Managed Care: PAHP Definition

An entity that provides medical services to enrollees

- Under contract with the state agency, and on the basis of prepaid capitation payments, or other payment arrangements that do not use state plan payment rates;
- Does not provide or arrange for, and is not otherwise responsible for the provision of any inpatient hospital or institutional services for its enrollees;
- Does not have a comprehensive risk contract; and
- Can enter into a risk contract under which the contractor:
 - Assumes risk for the cost of the services covered under the contract; and
 - Incurs loss if the cost of furnishing the services exceeds the payments under the contract.



Comprehensive risk contract means a risk contract between the State and an MCO that covers comprehensive services, that is, inpatient hospital services and any of the following services, or any three or more of the following services: outpatient hospital services, rural health clinic services, FQHC services, lab & X-ray services, nursing facility services, early and periodic screening, diagnostic, and treatment (EPSDT) services, family planning services, physician services, and/or home health services.

Next Generation of Managed Care: PAHP Statutory Requirements

- 42 CFR 438:
 - General provisions
 - State responsibilities
 - Enrollee rights and protections
 - PAHP standards
 - Quality measurement and improvement / External Quality Reviews
 - Grievance and appeal systems
 - Program integrity
 - Sanctions
 - Conditions for Federal Financial Participation
 - Parity in mental health and substance use disorder benefits



Next Generation of Managed Care: PAHP Standards

1. Timely access
2. Network adequacy (geography and services)
3. **Support coordination and continuity of care between:**
 - Settings
 - Other MCOs
 - FFS
 - Community and social support providers
4. Require a grievance / appeal process
5. Subcontractor oversight
6. Alignment w/national treatment guidelines
7. Operate a drug utilization review program (prospective and retrospective) and report to CMS
8. State review of marketing materials
9. Mental health/SUD parity with medical/surgical

Next Generation of Managed Care: PAHP – Quality Measurement and Improvement

1. Implement a quality assessment and performance improvement program
 - Safe, effective, and efficient programs that improve health
 - Collect data
 - Detect under- and overutilization patterns
 - Assess quality and appropriateness of care to members with special healthcare needs
2. Implement performance improvement projects
 - Identified by the state
 - Self identified
 - Proactive
3. Measure and report on performance
4. Contribute to the Quality Rating System
5. Align to State Quality Strategy
6. Comply with the External Quality Review Organization
7. ODM-specific:
 - Organizational information sharing
 - Methods for ensuring needed QI resources (admin. oversight and accountability)
 - Methods for sustaining QI culture

Next Generation of Managed Care: PAHP – Activities that Improve Healthcare Quality

The activity must be primarily designed to:

- Improve health outcomes
- Prevent hospital readmissions
- Improve patient safety
- Promote wellness
- Support meaningful use of healthcare data to improve quality, transparency, and outcomes

45 CFR § 158.150

Next Generation of Managed Care: PAHP – Program Integrity

Prohibitions against affiliations w/individuals debarred by federal agencies

Prohibition of offshoring

Systematically identify FWA:

- Written policies
- Compliance Officer that reports to the CEO and Board of Directors
- Regulatory Compliance Committee of Board of Directors
- Training and education of all employees on Federal and State requirements including the False Claims Act
- Effective communications between Compliance Officer and all employees
- Routine internal monitoring and auditing of compliance risks
 - Prompt response to issues
 - Prompt and thorough correction of problems

Prompt reporting of issues to the State

Next Generation of Managed Care: How to Interact with Gainwell

- Grievance: any outreach method:
 - Phone
 - Email
 - Portal
- Appeals: info on denial letter
- Forms: will be listed both on ODM website and provider portal
 - <https://pharmacy.medicaid.ohio.gov/prior-authorization>

Next Generation of Managed Care: Notification of Changes

- ODM website
- New member and provider manuals
- New ID cards



Next Generation of Managed Care: Where to learn more

- <https://managedcare.medicaid.ohio.gov/wps/portal/gov/manc/managed-care/ohio-next-generation-managed-care-2>
- Individuals, providers, and advocates to communicate to ODM about the managed care program:
 - MCPurchase@medicaid.ohio.gov
- Questions re: the SPBM:
 - MedicaidSPBM@medicaid.ohio.gov
- Questions re: the Fiscal Intermediary:
 - ODMFiscalIntermediary@medicaid.ohio.gov
- Questions re: the PNM (provider network management) module:
 - PNMCommunications@medicaid.ohio.gov
- Questions re: centralized credentialing:
 - Credentialing@medicaid.ohio.gov

Q&A

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