

PHARMACY TRANSPARENCY & COST INITIATIVES: ARKANSAS LEGISLATION & RELATED EFFORTS

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OUR MISSION, VISION & VALUES

MISSION

ACHI's mission is to be a catalyst for improving the health of Arkansans through evidence-based research, public issue advocacy, and collaborative program development.

VISION

ACHI's vision is to be a trusted health policy leader committed to innovations that improve the health of Arkansans.

VALUES

ACHI's values are trust, innovation, initiative, and commitment.



PLAN MANAGEMENT EXAMPLE: ARKANSAS EMPLOYEE BENEFITS DIVISION

- Arkansas State and Public School Employees Plan (ASE/PSE): largest self-insured plan in state, covering 150,000 individuals
- Until 2016, used PBM in arrangement lacking transparency around rebates, incentives, drug formulary decisions, etc.
- Since then, plan brought pharmacy management in-house; works with UAMS College of Pharmacy to make decisions based on clinical evidence, not financial gain



ARKANSAS STATE LEGISLATION: PHARMACY BENEFIT MANAGERS

- Arkansas House and Senate passed the Arkansas Pharmacy Benefit Licensure Act in 2018
 - Allows AID to require PBMs to license with the state
 - Allows for AID review/approval of PBM's compensation programs with pharmacies to ensure reimbursement to help support network adequacy
 - Banned “gag clauses’ that prevented pharmacists from discussing cheaper alternatives with patients



ARKANSAS STATE LEGISLATION: PHARMACY BENEFIT MANAGERS (CONT.)

- In 2019, Act 994 further clarified PBM Licensure Act
- Redefined the maximum allowable cost list
 - Max payments a PBM will make to a pharmacist for drugs
- Prohibited spread pricing
 - PBM would keep a portion of amount received from a health plan for a drug instead of providing full payment to the pharmacy

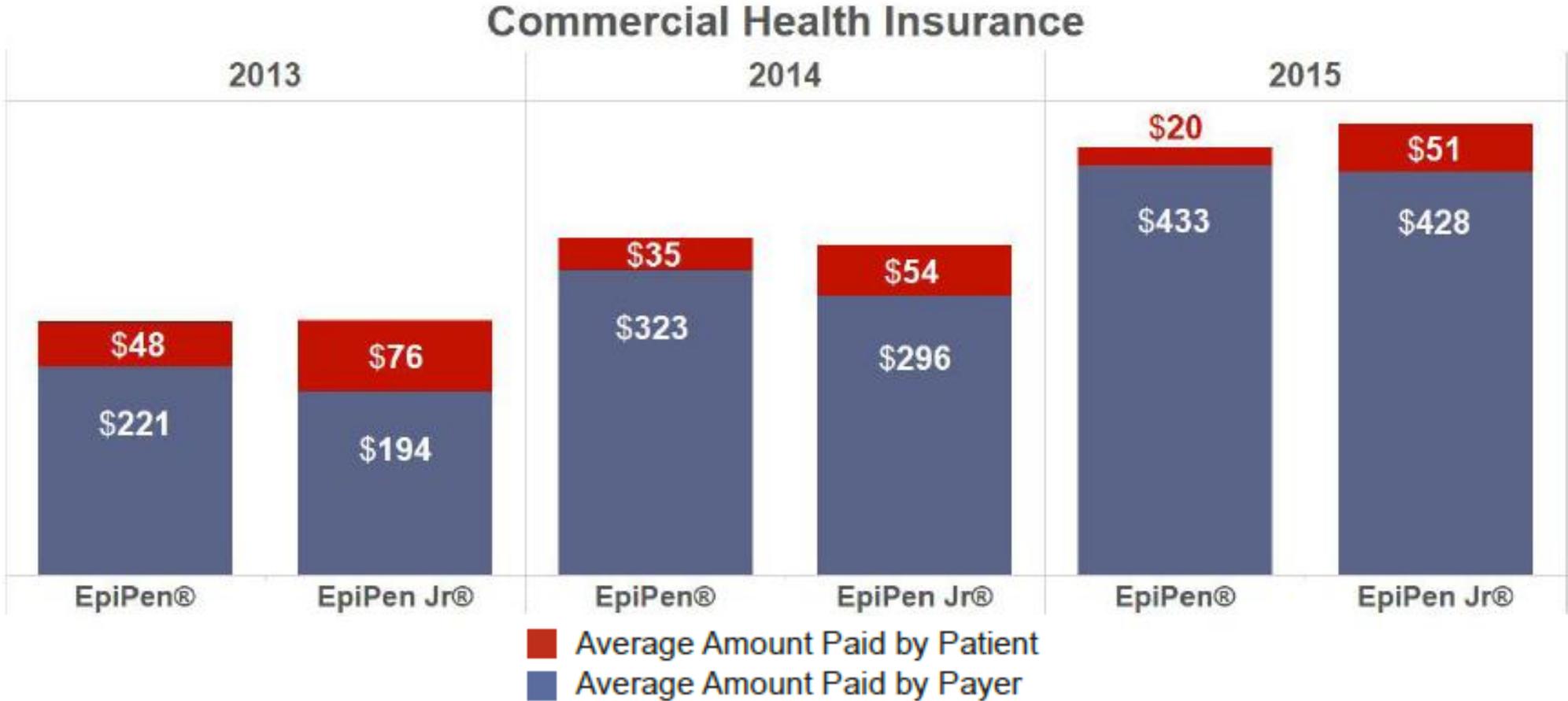


TRANSPARENCY INITIATIVE ANALYTICS: PHARMACY CLAIMS COSTS COMPARISON

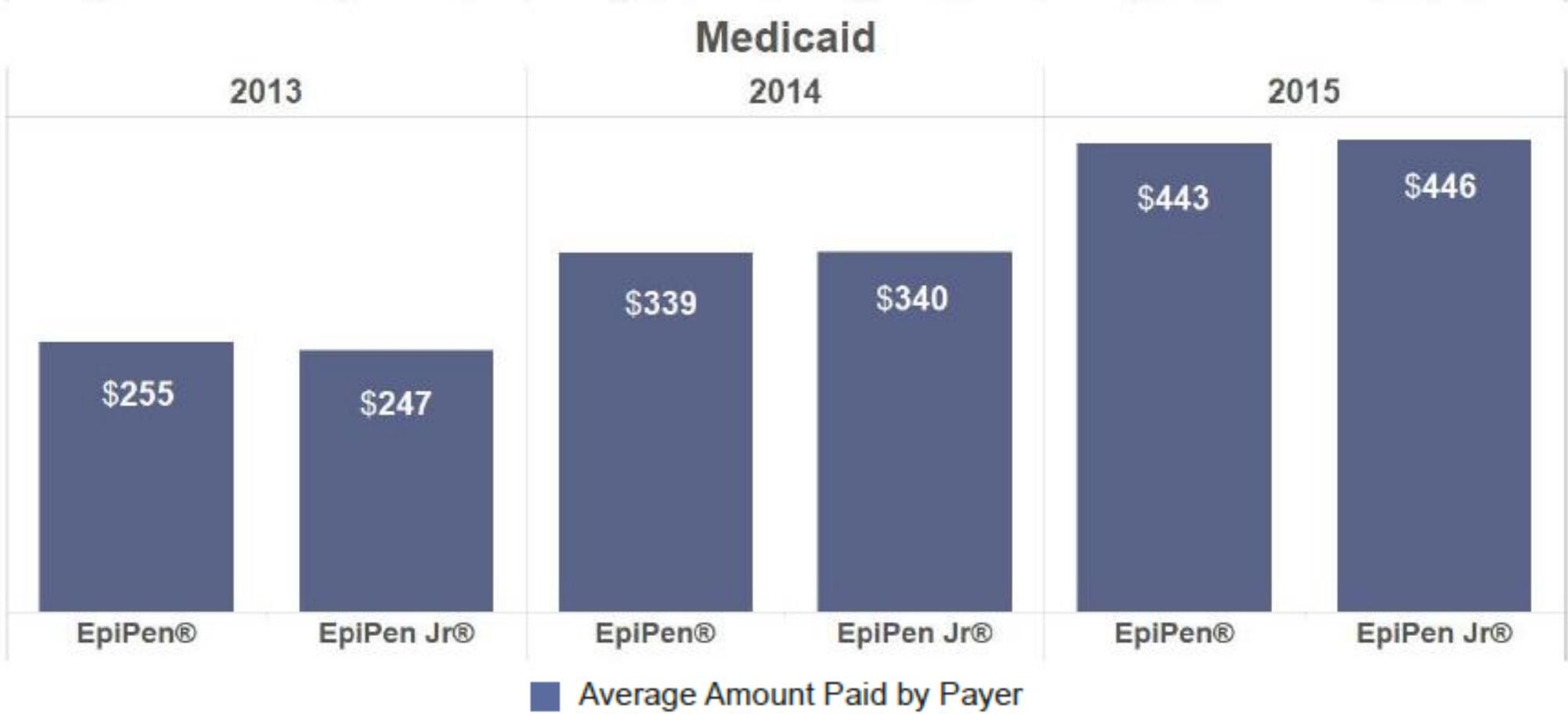
- ACHI has worked to improve transparency of drug payment and pricing differences
- ACHI partnered with local pharmacies in the state to collect claims submitted to public and private payers
- Analysis included comparison of amounts paid to pharmacy and paid amounts submitted by payers
- Analyses revealed variation in amounts paid, with approximately 60% the same, 20% higher, and 20% lower



TRANSPARENCY INITIATIVE: EPIPEN COST TRENDS IN ARKANSAS



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ARKANSAS RURAL HEALTH PARTNERSHIP OPIOID RESPONSE CONSORTIUM



ARKANSAS RURAL HEALTH PARTNERSHIP OPIOID RESPONSE CONSORTIUM

- Analyses underway in 3 focus areas to improve transparency:
 - Death certificate review for history of opioid use
 - Narcan prescribing profile
 - Opioid-related hospitalization profile: ED and inpatient use associated with opioid diagnoses



OPIOID RESPONSE: DEATH CERTIFICATE REVIEW

- Nationally, AR has one of the highest rates of opioid prescribing, yet drug overdose deaths are reported as lower than the national average
- Hypothesis: Opioid-related deaths are inconsistently identified on death certificates
- Analyses in progress to review 2017 death certificate data including:
 - Causes of death, by ages 12-50
 - History of opioid prescriptions
 - Coroner-level profile



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