Plan on the best fit.

SANFORD HEALTH PLAN

Department of Human Services
Health Care Reform Review Committee
Representative George Keiser, Chairman
July 23, 2014

Chairman Keiser, members of the Health Care Reform Review Committee, I am Lisa Carlson, Director of Planning and Regulation at Sanford Health Plan. I appear before you to provide information regarding our experience in the Medicaid Expansion Program.

Medicaid Expansion Enrollment Update

- 38% of members have had a claim each month as compared to our commercial population which is around 30%.
- 1.5% have had inpatient stays each month.
- 42% of members have filled a prescription each month.

Medicaid Expansion Operations Update

Call Statistics

38% of calls are regarding eligibility/enrollment and 23% regarding plan benefits. Only 8% are calls to request prior-authorizations, which mainly come from the provider offices. There's an average of 129 calls per day, and calls still take longer to resolve (average of 3 minutes) than our commercial book of business.

Care Management Statistics

- 1,251 members are enrolled in disease management programs for congestive heart failure, diabetes, hypertension and asthma.
- 769 members are being actively case managed by assigned nurse
- 62 pregnant members are enrolled in Healthy Pregnancy Program
- Inpatient stays are hovering around 24 at any point and time.

Case Manager Notes

Currently our nurses are managing 769 members; this includes (but is not limited to) cases of behavioral health, medication adherence, oncology care, inpatient hospitalizations and emergency room utilization. Our nurse case logs document ongoing treatment and care plans and give us a glimpse of the day-to-day interventions making a difference in our patient's lives.

1. Individual with a traumatic brain injury has multiple medical issues. The Nurse Case Manager has assisted in getting him in to see an ophthalmologist who then referred him to another specialist. The Health Plan coordinated his transportation to all appointments and foll0w-up care.
2. Individual that is out of state for a stem cell transplant. Our Nurse Case Manager and Transportation Coordinator have been working with the member and the facility to ensure member has all her needs met for transportation, lodging and meals as well authorizations for the transplant services.

3. Individual requested approval reconstructive surgery due to cancer. Our Nurse Case Manager worked with the member to coordinate pre-operative testing done locally in his home town. Transportation and lodging have been coordinated for him for when he has his surgery done in Sioux Falls at Sanford. His Case Manager has been in close contact with the Cancer Navigator at Sanford USD Medical Center to ensure all this patient's needs are met for his operation and follow-up care.
4. Our Case Managers have identified diabetic patients who are past-due for medically necessary care and have scheduled needed care including diabetic eye exams for retinopathy evaluation and foot exams. The team is ensuring the individuals have a primary care provider to follow up with as well an endocrinologist.
5. Individual with history of diabetes was admitted with chest pain and had a CABG (Coronary Artery Bypass Graft) procedure on two arteries. Case Manager worked with this member to schedule his post-operative follow up appointments. Individual has additional health issues that the Case Manager is providing assistance with coordination of care.
6. Individual that is homeless with cardiac issues was concerned he would need to save up money before having tests done. Case Manager worked with this individual to help him understand he would not need to pay up front for testing and also found out he was not taking his Lasix because his prescription expired. Our nurse assisted member with scheduling an appointment and getting his prescription refilled.
7. An individual is currently residing in a skilled facility and has exhausted her skilled nursing facility days. Case Manager reached out to the social worker to initiate application into the medically frail program to continue appropriate care.

Provider Network

Since January 1st, we have added 410 providers to our network to expand access for the Medicaid Expansion membership. We continue to meet the contractual network access and availability standards for our members as outlined in the state contract.

Pharmacy Utilization

Medicaid Expansion Population	Sanford Commercial Population
1. Pain	1. Thyroid Disease
2. Hypertension	2 Hypertension
3. GERD	3. GERD
4. Diabetes	4. High Cholesterol
5. Antidepressants	5. Pain

As reported at the last Committee hearing, pain meds (e.g. hydro/oxycodone/tramadol) continue to be the most utilized based on prescription count, followed by prescriptions for hypertension, heartburn (GERD) and diabetes. Compared to our commercial book of business, the order is normally thyroid, hypertension, heartburn, and high cholesterol, with pain meds at #5 on this list. Antidepressants also top the Medicaid Expansion list at #5. Health Plan analysis indicates that a large portion of the members on pain meds are being followed by Pain Clinics.

Based on cost, the number one drug for the Medicaid Expansion population is Sovaldi – a costly specialty drug to treat Hepatitis C at $1,000/per pill. There are now eight prescriptions for Solvaldi (two were reported at the last hearing). There is pent up demand for treatment of Hepatitis C and it is reflected in these numbers. In comparison, the number one drug for our commercial population, in terms of cost, is Crestor.

Drug seeking behavior is a serious patient safety issue. We are conducting retrospective fraud, waste and abuse pharmacy review and program management moving forward. Members exhibiting signs of drug seeking behavior may possibly cause harm to themselves by visiting different physicians who may not have access to their full medical record. As a result, these physicians may write prescriptions that could be duplicative in nature and inadvertently cause potential drug-to-drug interactions. We use a combined approach to identify abuse/misuse trends including analytics to review and investigate prescribers and processes for intervention.

Examples of interventions may be to implement a member restriction (lock-in) to a single pharmacy or provider for drug seeking behaviors or to issue new member ID numbers in cases of ID card theft or identity theft.

Pharmacy Network

At the request of the Health Care Reform Review Committee meeting held in Bismarck on May 14, 2014 Sanford Health Plan and the Department of Human Services (DHS) were tasked with outlining the concerns of the North Dakota Pharmacists Association (NDPhA) and potential solutions that would be mutually agreeable to DHS, the Centers for Medicare and Medicaid Services (CMS), Sanford Health Plan and the NDPhA. Subsequently, a series of bi-weekly meetings were established for stakeholders to convene and vet through viable options. This document outlines a multi-pronged solution based on the additional feedback we received from the NDPhA and pharmacies reaching out to both Sanford Health Plan and Express Scripts.

Sanford Health Plan believes the below phased approach is an equitable solution that is considerate of the comments from our community pharmacies and it also creates a solid foundation for long-term adjustments to this new program. As always, the priorities for DHS and Sanford Health Plan are to ensure quality patient care and appropriate access to pharmacies for Medicaid Expansion Members.

Solution		Description
1	Adopt a broad network specifically for Medicaid Expansion	Sanford proposes to move the Medicaid Expansion line of business only to the broadest network. For those pharmacies who participate in multiple networks, an increase over current contract reimbursement will occur. Effective August 1, 2014.
2	Sole community providers paid enhanced dispensing fee	"Sole community" pharmacies defined as those with no competing pharmacy in their community. 39 sole community pharmacies will be moved to a Sanford custom network at rates as outlined in #1 above and with an enhanced dispensing fee. To receive this enhanced dispensing fee pharmacies must sign and return a contract addendum by Aug. 10, 2014. Effective September 1, 2014 for those pharmacies who have met the contract addendum submission date.

Solution		Description
3	Create Pharmacy Engagement Program (PEP) for the North Dakota Medicaid Expansion Pharmacies	This PEP program will be administered entirely by SHP. Performance will be tracked by SHP and payment will be direct from SHP to the pharmacy. 1. Antibiotic call: 3 days after an antibiotic is prescribed a pharmacist makes a follow-up call to see if medication being taken and patient is getting better. 2. Diabetic Patient: Download of glucose meter to evaluate testing compliance and outcome on a quarterly basis. 3. Adherence: Offer patient review of medication compliance on maintenance medications (Star rating meds) on a quarterly basis – offer a synchronized refill program. 4. Check blood pressure twice monthly on patients in first month after new start or dose change. 5. Review diabetic patients as to appropriateness of ACE and ARB therapy and follow-up with prescriber on a quarterly basis. The Plan will pay Pharmacists for the extra time spent in 15-minute increments up to $80/hour. Effective Date October 1, 2014.
4	Create a new reimbursement model for Medicaid Expansion Pharmacies	SHP to work with DHS to create a fair and transparent reimbursement model for all pharmacies participating in the Medicaid Expansion Program that is factored into the 2015 bid and contract renewal. Participating Pharmacies will be in a custom ESI network. Effective Date January 1, 2015.

Sanford Health Plan believes the Medicaid Expansion program is having a positive impact in North Dakota communities as evidenced in the progress discussed today.

Thank you for your time.