



November 26, 2019

Andrew Stolfi, Insurance Commissioner and Administrator, DFR
Oregon Dept. of Consumer and Business Services
Division of Financial Regulation, Drug Price Transparency Program
350 Winter St. NE, Room 410
Salem, OR 97309

RE: Written comments in follow up to Annual Prescription Drug Price Hearing (11-19-2019)

DCBS Drug Price Transparency Administrator Stolfi:

PacificSource is an independent, not-for-profit health plan based in Oregon. We serve commercial, Medicaid, and Medicare members, and PacificSource Community Solutions is the contracted Coordinated Care Organization (CCO) in Central Oregon, the Columbia River Gorge, Marion & Polk Counties, and Lane County. Our mission is to provide better health, better care, and better value to the people and communities we serve.

We appreciate the opportunity to participate in the November 19, 2019 Annual Prescription Drug Price Hearing. In follow up to our participation in the drug pricing panel at the hearing, we respectfully offer the following comments for consideration.

PacificSource offers comprehensive pharmacy benefit management (PBM) services bundled with our medical benefits, that has consistently driven towards lowest net cost, high quality, and outstanding member satisfaction. Leveraging its broad experience providing pharmacy benefits for Medicare, Medicaid, Individual, Small Group and Large Group plans, PacificSource's PBM services are able to ensure all members and providers experience a seamless interaction with the health plan regardless of whether the drug is covered under the medical or pharmacy benefit. A key cornerstone to ensuring the optimized PBM experience is ensuring the formulary and utilization management criteria are representative of local prescribing practices. PacificSource has its own Pharmacy and Therapeutics (P&T) Committee comprised of locally practicing physicians and pharmacists that develops and maintains its custom formulary and utilization management criteria that meet the needs of the communities we serve. Maintaining our own formulary separate from a standalone national PBM has allowed us to be more comprehensive in driving towards the dual target of highest safety/efficacy and lowest net cost. Our P&T committee meets monthly to review new medications and the latest medical evidence of their safety and efficacy, assess formulary placement, and develop utilization management procedures. With this customized approach, we receive input from our local providers and reflect market preferences in our drug management programs which would not be possible with a standard template PBM formulary.

The PacificSource Pharmacy Services team reviews all utilization management requests in-house with our own clinical staff to ensure the most cost effective medications at the appropriate dose and dosing frequency are used. Conducting reviews independently from a potential fulfillment provider (i.e., specialty or mail order pharmacy owner) our clinical staff support the health needs of our members without conflicts of interest.

Additionally, our local PacificSource Pharmacy Services Helpdesk Team consists of nationally certified pharmacy technicians and licensed clinical pharmacists. Having an in-house helpdesk allows our team to assist members personally with custom pharmacy benefit questions, medication coverage policies, prior authorization process, and cost-effective medication options without the hassle of a phone tree or big corporation feel.

PacificSource utilizes multiple clinical programs to improve outcomes and decrease overall costs. A few examples of these programs are listed below:

- **Pharmacy Advisor Support:** Provides tailored messages to meet the needs of members with chronic conditions at key points in therapy. Closes gaps in medication therapy and simplifies refills and renewals.
- **Condition Alerts:** Identifies evidence-based opportunities for improved pharmacy and medical care through ongoing review and analysis of pharmacy and medical claims for chronic conditions such as Asthma, Cardiovascular Disease, COPD, Diabetes, Hypertension, and Osteoporosis.
- **Opioid Management:** Reduces cumulative MME (morphine milligram equivalents) in populations exceeding FDA recommended dosages. Includes case management, point of sale edits, and provider education/notifications.
- **Medication Therapy Management:** PacificSource has identified specially trained pharmacists throughout our service area who are contracted to help members get the best results from their medications while keeping out-of-pocket costs down. Our MTM pharmacists work with the member and their providers to assist with medication cost, side-effects, drug interactions, and duplicate therapy. Members receive help in understanding and organizing their medications to optimize therapeutic outcomes. Whenever clinical pharmacists exist within the primary care team, MTM services are delivered in a local, face-to-face clinical environment. MTM services are also available telephonically for patients who visit a primary care clinic without embedded pharmacists.
- **Specialty Drug Management:** PacificSource has developed several programs to manage specialty drugs which include prior authorization on all specialty medications (both self-administered and medical infusion drugs); consultation with an oncologist prior to all oncology therapy authorizations to ensure the appropriateness of therapy; partial fill program to reduce high-cost low-tolerability oral oncology medication waste; utilization of specialty pharmacy with the maximum-day supply of 30 days; and enforcing utilization of the most cost-effective site of care. Specialty Utilization Management
- **Point of Sale Utilization Management Edits:**
 - Quantity Limits: Establishes a maximum quantity allowed over a period of time for medications with potential for overuse and misuse.
 - Step Therapy: Automated step therapy edits that review a member's drug history to verify that a first-line therapy was attempted before the claim can be approved at the point of sale.
 - Dose Optimization: Point-of-sale identification of opportunities where a higher-strength, single daily dose can be used in place of multiple daily doses, when available and clinically appropriate.
- **Safety Review:**
 - Point of Sale: Flags potential medication safety concerns at point of sale.
 - Retrospective: Reviews claims within 72 hours of adjudication to identify potential medication safety concerns.
- **Safety and Monitoring:** Reduces instances of prescription fraud, waste and abuse through regular claims monitoring and timely interventions. Includes an extensive range of interventions to address more complex cases of fraud, waste, and abuse of controlled substances.

Through these various programs, we have improved outcomes and prevented potentially life-threatening complications for our members. A recent real-life example that was caught by our clinical pharmacists via our utilization management program included a member that was accidentally prescribed two powerful anticoagulants at the same time. Since the clinical team questioned the prescriber regarding this drug combination, a potentially life threatening adverse event was averted.

PacificSource is committed to increasing transparency and decreasing prescription drug costs for all its members and looks forward to working with the Oregon's Drug Price Transparency Program. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Mihir Patel".

Mihir Patel, PharmD

Vice President of Pharmacy Services

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