

# HNE and Magellan Rx Management (Magellan Rx)

*Enhanced Medical Pharmacy Program for 2016*

# Overview

- Health New England (HNE) is committed to providing our members with access to high-quality health care that is consistent with evidence-based, nationally recognized clinical criteria and guidelines.
- To ensure affordability for our members, we will implement a change in the way we manage certain specialty drugs that fall under the medical benefit.
- Drug areas that will be impacted by the change primarily include Oncology, Oncology Support (antiemetic, neutropenia), Anemia, Inflammatory Conditions, Hereditary Angioedema, and Immunodeficiency (IVIg)
- This new program will be administered by Magellan Rx Management (Magellan Rx). Magellan will assist us with a new process for reviewing and approving these specialty drugs.
- Program will be implemented for all lines of business (Commercial, Medicare, Medicaid) for 01/04/2016.



# HNE Magellan Rx Medical Pharmacy Program

- Magellan Rx Management and HNE have a business relationship going back to 2008
- Magellan Rx , formerly known as ICORE, developed a customized provider fee schedule for drugs administered in the provider office or infusion suite.
- Magellan Rx
  - Has 30+ years of benefit management experience
  - Services include pharmacy benefits management (PBM), specialty pharmacy, medical pharmacy, behavioral health, and radiology
  - Industry-Leading Specialty: proven cost savings by integrating medical and pharmacy data
  - Customer first culture – clear focus on the specific needs of individual clients and members
  - Trusted Scale and Experience: collective experience of a company that touches more than 60M lives every day



# Project Scope and Program Overview

## Prior Authorization

Scope includes high cost drugs that require strict enforcement of medical policy for appropriate indications and dosing. Provider PA requests can be initiated either telephonically or online. Program is supported by dedicated PA staff specially trained on these agents, pharmacists, oncologists and other physician specialists as appropriate to conduct prospective peer-to-peer reviews and deliver a high-touch service. Extensive listing of Medical Necessity Criteria available, approved by Magellan Rx's National P&T

## Post-Service, Pre-Payment Claim Edits

Allows for the management of drugs under medical benefit with the same sophistication that can be applied under the pharmacy benefit. Provider's workflow remains unchanged. Proprietary edits include eligible diagnosis, maximum dosage/units, duration and frequency. Program uses documented evidenced based care approved by Magellan's National P&T. Designed to ensure drugs are correctly paid.

## Provider Network Strategy

*Physician Office Administration* – Variable Infusion Fee Schedule rationalizes reimbursement and aligns the provider's and payor's interests, shifting the product mix towards lower cost, but equally effective agents.

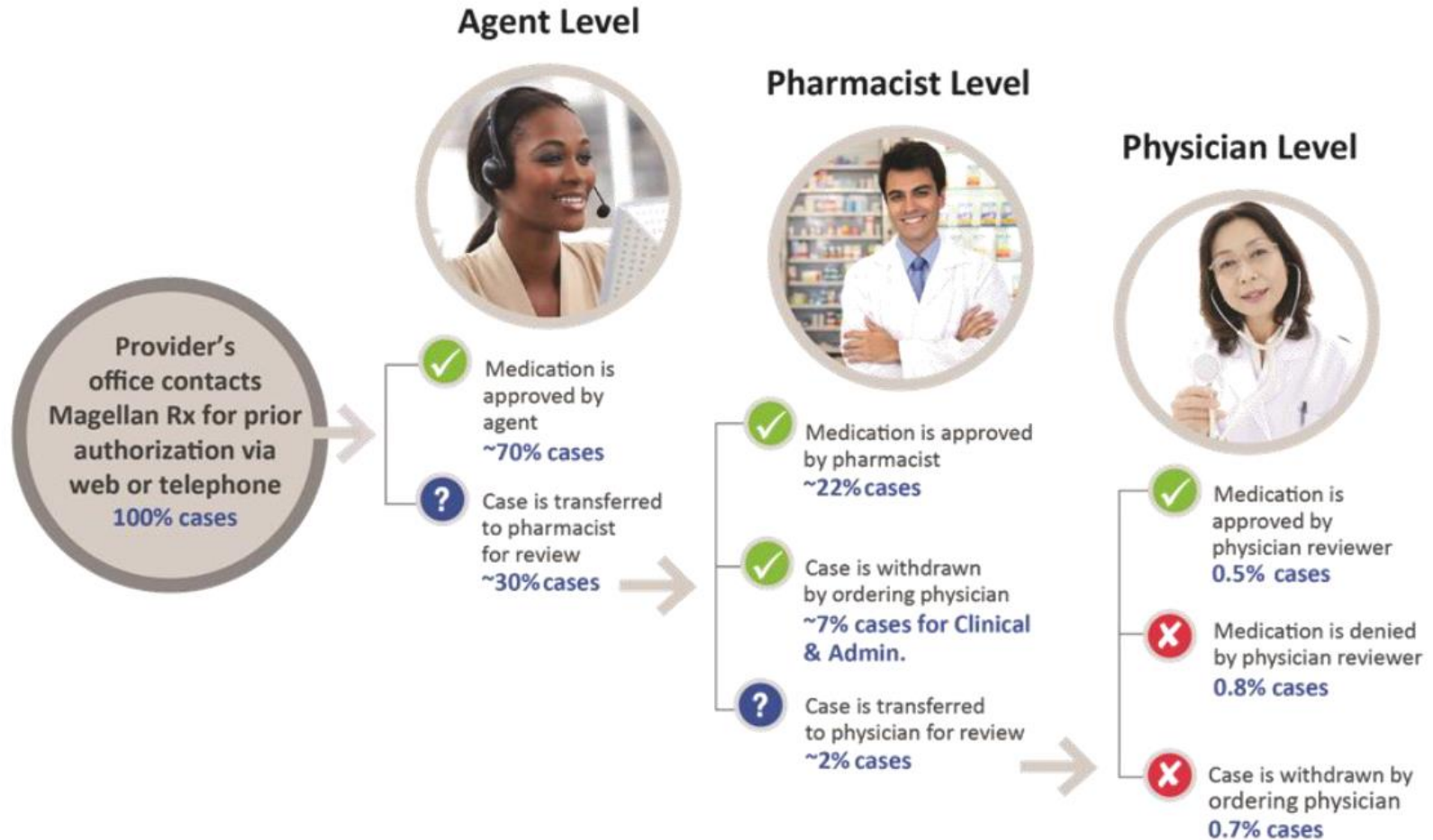
*LCA* – Promotion of Lowest Cost Alternative

*Home Infusion* – Explore HCPCS-based reimbursement and lowest cost alternative opportunities

Explore Drug Therapeutic Class Specific Management Strategies: Programs by drug class to encourage providers to prescribe Least Cost Alternatives (LCAs) when clinically appropriate.



# Prior Authorization



# Provider Portal Access

Providers can request an authorization online and get immediate response to their request.

Providers can also view authorizations that have been previously requested.

**view authorization requests::**

Provider/TIN: Fred Flintstone 111333888

**Search for an Auth Request**

1. Member Name  
Last Name:  First Name:

2. Member ID  
Member's ID:

3. Authorization No.  
Enter Authorization No:

**3 Requests Found**

Authorization No.	Member Name	Member Id	Health Plan
90120003	Test, MRS	5098	Generic Health Plan 2
90120005	Test, MRS	5098	Generic Health Plan 2
90120006	Test, MRS	5098	Generic Health Plan 2

You can view the results of your search in a printed report or via a downloaded electronic file. Printable reports use [Adobe Reader](#), and electronic files allow you to import this information into Microsoft Excel.

Create report (.PDF)  Download electronic file (.XLS)

[Return to My Account](#)

**get an authorization :: Submission Complete**

**Therapy Request - Submission Complete**

User Name: NOT LOGGED IN User ID: USER ID

Date Initiated: 11/24/2008 Date Evaluated: 11/24/2008

Your Request has been submitted, and the results are indicated below.

**Herceptin**

**Status: Approved**

Authorization: 83294005

Validity Period: 11/24/2008 - 3/1/2009

Disclaimer: Based upon the information that you have provided, this request is being authorized. Please note that this authorization number is not a guarantee of payment. All claims are subject to eligibility, limitations, and/or exclusions.

Brand Name: Herceptin Generic Name: Trastuzumab

CPT: 79255

**Member Information**

Name:  Date of Birth:

Member ID:  Health Plan: Keystone Mercy

Health Plan: Medicaid

**Provider Information**

Name: Jay, MD Tax ID: 123456789

DEA Number:

**Diagnosis**

Diagnosis (ICD9) Code: 174.0 Reason for medication: MALIGNANT NEOPLASM NIPPLE/AREOLA FEMALE BREAST

**Herceptin Q/A History:**

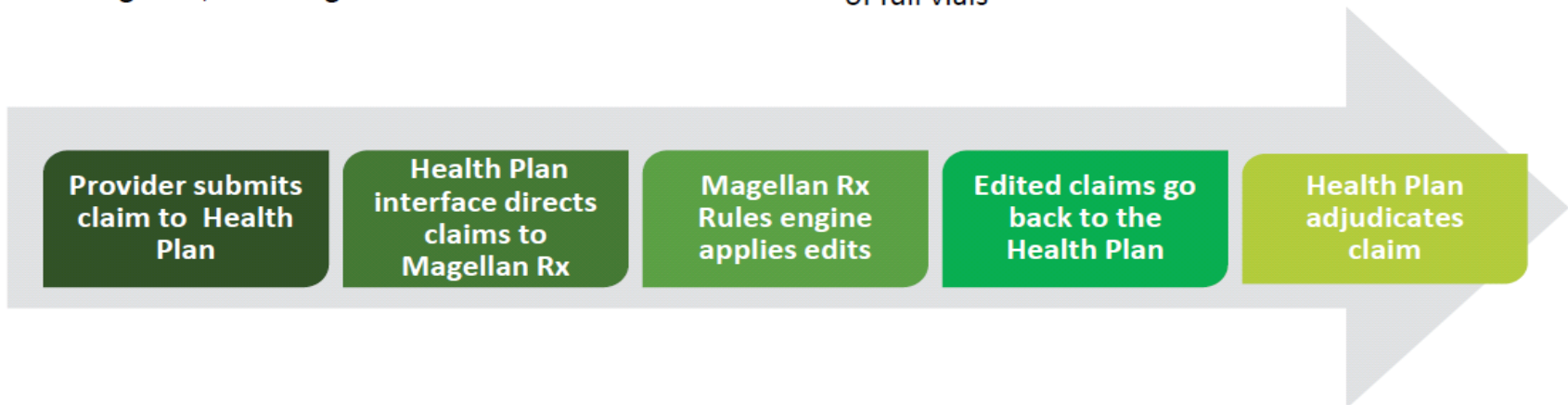
1. Patient is requesting Herceptin
2. The Patient has Breast Cancer
3. The patient is HER2 positive.
4. The patient has an IHC (immunohistochemistry) assay 3 positive or a FISH (fluorescence in situ hybridization) assay greater than 2.2.
5. The drug will be administered every 21 days.
6. This authorization will include a loading dose.

**Start a New Authorization**

# Post Service Pre-Payment Claim Edits

Our post service pre-payment claims edits allow for the management of drugs under the Medical Pharmacy benefit with the same sophistication that can be applied under the pharmacy benefit

- Ensure providers are utilizing physician office-billed drugs as per their FDA label and Compendia approved uses
- All diagnosis values are validated for eligible diagnosis
- Edit for Maximum Units, by drug, gender, diagnosis, and weight
- Edit for Prior Authorization (PA) on drugs that require PA
- Process eliminates claim submissions with physiologically impossible doses
- Validate loading dose
- Validate drug waste, stopping the routine billing of full vials



# Next Steps

- HNE will provide standard 60-day notice before planned go live date of January 4<sup>th</sup>, 2016
- MagellanRx will hold a series of webinars for providers
- Upon request, HNE will schedule an on-site visit to review program
- All program materials will be posted on HNE.com
  - Clinical criteria available
  - Formulary updated with MagellanRx web link and phone for drugs requiring PA by Magellan
  - Full list of drugs available for quick reference
- All active prior authorizations for drugs within the program scope will be transitioned to MagellanRx
  - There will be no interruption in patient care
  - Providers will not need to re-authorize any ongoing care