



AGENDA

State Employee Advisory Commission and Public-School Employee Advisory Commission Meeting

September 6th, 2022

10:00 a.m.

1. Call to order.....ASE Advisory Commission Chair, Cynthia Dunlap
2. Approval of August 5th, 2022, Minutes..... ASE Advisory Commission Chair, Cynthia Dunlap
3. EBD Projects Update EBD Director, Jake Bleed
4. Bariatric Discussion and Policy RecommendationEBD Director, Jake Bleed
6. Formulary Management Process and Recommendations..... Dr. Jill Johnson, Dr. Sidney Keisner, EBRx
7. Other Business

NOTE: All material for this meeting will be available by electronic means only
EBD.Board@arkansas.gov

Notice: Silence your cell phones and other noise that is disruptive to the meeting. Keep your personal conversations to a minimum.

**Joint ASE Advisory Commission and PSE Advisory Commission Minutes
August 5th, 2022**

The Arkansas State Employee Advisory Commission and Public School Employee Advisory Commissions met on Friday, August 5th, 2022, at 1:30 p.m. via Zoom

ASE Commission Members present:

Jerry Jones
Cynthia Dunlap
Ronda Walthall
Marty Casteel

ASE Members absent:

PSE Commission Members present:

Julie Bates
Kurt Knickrehm
Greg Rogers

PSE Members absent:

Jim Tucker

OTHERS PRESENT

Jessica Welch, Director Jake Bleed, Shalada Toles, Lauren Ballard, Denise Flake, Laura Thompson, EBD; Debbie Rogers, DFA; Takisha Sanders, Jessica Akins, Health Advantage; Dr. Jill Johnson, Oktawia DeYoung, EBRx; Sylvia Landers, Colonial Life; Matt Kersting, The Segal Group

CALL TO ORDER

Meeting was called to order by ASE Chair, Cynthia Dunlap. To ensure; quorum a roll call was made.

APPROVAL OF MINUTES

Cynthia Dunlap made a request to approve the July 7th minutes. Kurt Knickrehm made the motion to approve. Julie Bates seconded; all were in favor.

Motion Approved.

1. **Review Q4 FY22 Quarterly Report: EBD Director, Jake Bleed**

Overview of the quarterly report EBD is required to submit to the Arkansas Legislative council, to provide updates on changes in the Plan per Act 113. The quarterly report includes PSE/ASE financial projections, information about the Medicare Advantage Plan with Prescription Drug that will begin operation January 1,2023, and EBD's Contracts and Procurement Gantt chart.

2. **Presentation of formulary-management process and recommendations for August 2022: EBRx, Dr. Jill Johnson**

Prior to Dr. Johnson's presentation EBD Director, Jake Bleed provided the commissioners with background information about the Formulary process.

Dr. Jill Johnson presented the Formulary Recommendations Report.

The commissioners requested Dr. Jill Johnson include more information about why the drugs presented should be excluded, covered, or covered with prior authorization at future meetings.

Cynthia Dunlap requested a motion to approve the recommendations as presented. Jerry Jones made a motion to approve. Kurt Knickrehm seconded; all were in favor.

Motion Approved.

3. Discussion of Actuary and EAP Procurements: EBD Director, Jake Bleed

1. Employee Assistance Program:

EAP provides counseling and helpful resources to ASE, PSE, and their household members. EBD requested approval to issue an RFP that offers EAP services and make the following changes:

-Seek proposals based on a variety of pricing models, including one based on strict utilization, and not limiting pricing to a PCPM/PMPM basis. Under this model, evaluators would determine the best possible options for EAP programs and the appropriate pricing structure.

-Allow online or virtual counseling. Current practices require in-person counseling, resulting in significant delays in access to services.

-Give broad leeway to vendors to propose solutions appropriate for a large, statewide organization.

Cynthia Dunlap requested a motion to approve the EAP Request For Proposal Request. Marty Casteel made a motion to approve. Julie Bates seconded; all were in favor.

Motion Approved.

2. Actuary:

EBD's Actuarial Firm, Milliman provides healthcare consulting, financial reporting, compliance, and assists EBD on a as needed basis.

EBD requested approval to issue an RFP for actuary services which would:

-Continue to provide direct actuarial services as well as healthcare consulting and other support

-Assist EBD in projecting the fiscal impact of new legislation, in compliance with Act of 112 of 2022

-Establish responsibilities for the actuary in responding to the needs of the advisory commissions and the State Board of Finance

Cynthia Dunlap requested a motion to approve the Actuary RFP request. Jerry Jones made a motion to approve. Marty Casteel seconded; all were in favor.

Motion Approved.

Other Business: EBD Director Jake Bleed

-The ASE and PSE rates that were discussed at the July 7th meeting were approved by Arkansas Legislative Council.

-The Medicare Advantage plan is being implemented. EBD's contractor United Health Care has been traveling the state and holding meetings to educate and assist the members with questions.

-EBD did have an RFP on a Pharmacy Benefit Manger contract; the RFP was not successful. EBD will work with the Segal Group hired by the Arkansas General Assembly to reissue the RFP.

Cynthia Dunlap requested a motion to adjourn. Ronda Walthall made a motion to adjourn. Julie Bates seconded.

Meeting adjourned.

Proposed Bariatric Surgery Policy

- a. Definitions.
1. “Bariatric surgery” means a surgical procedure performed to induce weight loss and includes:
 - (A) Gastric bypass surgery;
 - (B) Adjustable gastric banding surgery;
 - (C) Sleeve gastrectomy surgery; and
 - (D) Duodenal switch biliopancreatic diversion.
 2. “Body mass index” means body weight in kilograms divided by height in meters squared;
 3. “Morbid obesity” means a weight that is at least two (2) times the ideal weight for frame, age, height, and sex of an individual as determined by an examining physician as measured a body mass index:
 - (A) Equal to or greater than thirty-five kilograms per meter squared (35 kg/m²) with comorbidity or coexisting medical conditions such as hypertension, cardiopulmonary conditions, sleep apnea, or diabetes; or
 - (B) Greater than forty kilograms per meter squared (40 kg/m²).
 4. “Member” means a participant in the Plan;
 5. “Plan” means the State and Public School Life and Health Insurance Program, created at § 21-5-401 et. seq., and any Plan vendor utilized to manage the bariatric surgery benefits.
 6. “Prior authorization” means the process by which a utilization review entity determines the medical necessity of an otherwise covered healthcare service before the healthcare service is rendered, including without limitation preadmission review, pretreatment review, utilization review, case management, and fail first protocol.
 7. “Revision surgery” means a bariatric surgery that is performed to repair or change a previously performed bariatric surgery.
- b. The Plan will cover bariatric surgery as a treatment for morbid obesity for a member who:
1. Is diagnosed with morbid obesity;
 2. Is an active or retired state or public-school employee;
 3. Is age 20 to 65 years old;
 4. Has at least five (5) years continuous employment as a state or public-school employee;
 5. Has not undergone previous bariatric surgery procedures; and
 6. Has received a prior authorization for the surgery from the Plan.
- c. A member who qualifies under section (b) of this rule is eligible to receive one (1) bariatric surgery per lifetime.

- d. Approved bariatric surgeries will be subject to deductibles, co-insurance, and any other cost-sharing required by the Summary of Plan Benefits.

Bariatric Surgery coverage shall be limited to Active Employees and Retirees under the age of 65 participating in the Arkansas State Employee Health Benefit Plan or the Arkansas Public School Health Benefit Plan who have been employed for five (continuous) years or more.

Coverage will be limited to surgeries performed at bariatric surgery centers which are accredited through the Metabolic and Bariatric Surgery Accreditation and Quality Improvement Program as determined by the American College of Surgeons and the American Society for Metabolic and Bariatric Surgery. Bariatric Surgery coverage shall be limited to one bariatric surgery per lifetime and one revision surgery in the case of surgical complications resulting directly from the bariatric surgery. If an Active Employee or Retiree under the age of 65 has previously had bariatric surgery on a different health insurance plan, they shall not be eligible for the Bariatric Surgery Benefit.

Eligible Program participants shall be subject to prior authorization through their surgeon or facility.

Coverage of bariatric surgeries will require approval of a prior authorization request.



Formulary Recommendations Report

The following report represents formulary recommendations from UAMS College of Pharmacy Evidence-Based Prescription Program (EBRx), the clinical consultants for Employee Benefits Division.

The Pharmacy and Therapeutics Committee is comprised of active healthcare providers (physicians and pharmacists) who routinely provide care for EBD members.

*Medication Cost is calculated as Average Wholesale Price (AWP) to treat 1 member for 1 year of standard dose (for maintenance medications) and prescribed duration of treatment for acute care medications.

**Impacted Members field is applicable only to Pharmacy Benefit previously covered drugs (new-to-market drugs are excluded until review).

EBRx may recommend excluding drugs from coverage for a variety of reasons coded below:

1	Lacks meaningful clinical endpoint data; has shown efficacy for surrogate endpoints only.
2	Drug's best support is from single arm trial data
3	No information in recognized information sources (PubMed or Drug Facts & Comparisons or Lexicomp)
4	Convenience Kit Policy
5	Medical Food Policy
6	Cough & Cold Policy
7	Multivitamin Policy
8	Drug has limited medical benefit &/or lack of overall survival data or has overall survival data showing minimal benefit
9	Not medically necessary
10	Peer-reviewed, published cost effectiveness studies support the drug lacks value to the plan.
11	Oral Contraceptives Policy
12	Other
13	Insufficient clinical benefit OR alternative agent(s) available

Non-specialty Drugs						
<u>Brand</u>	<u>Generic</u>	<u>Use</u>	<u>Recommendation (exclusion code if applicable)</u>	<u>Rationale</u>	<u>Impacted Members**</u>	<u>Medication cost*</u>
Mounjaro	tirzepatide	Glycemic control in Type 2 Diabetes	Exclude code 13 (Pharmacy Benefit Drug)	Effective, but not better than already covered GLP1s (Trulicity, Victoza, Ozempic) and is not the lowest net cost product of GLP1 class (rebates)	New to market drug- no current utilization	\$14,030 (1 year)
Voquezna	Vonoprazan and Amoxicillin	Clarithromycin resistant Helicobacter pylori infection (causing gastric ulcers)	Cover with Prior Authorization (Pharmacy Benefit Drug)	Vonoprazan is a new chemical entity potassium-competitive acid blocker	New to market drug- no current utilization	\$1,218 (14 days)
Vtama	tapinarof	Plaque psoriasis (topical cream)	Exclude code 13 (Pharmacy Benefit Drug)	No clinical benefit over currently covered drugs. Covered alternatives: topical corticosteroids, tazarotene, calcipotriene.	New to market drug- no current utilization	\$19,080 (1 year)
Vivjoa	oteseconazole	Vulvovaginal candidiasis	Exclude code 13 (Pharmacy Benefit Drug)	No clinical benefit over currently covered drugs (fluconazole, ibrexafungerp)	New to market drug- no current utilization	\$1,800 (2 days)
Specialty Drugs						

<u>Brand</u>	<u>Generic</u>	<u>Use</u>	<u>Recommendation (exclusion code if applicable)</u>	<u>Rationale</u>	<u>Impacted Members**</u>	<u>Medication cost*</u>
Camzyos	mavacamten	Symptomatic heart failure in adults	Cover with Prior Authorization (Pharmacy Benefit Drug)	First-in-class selective allosteric inhibitor of cardiac myosin.	New to market drug- no current utilization	\$105,930 (1 year)
Camcevi	leuprolide	Advanced prostate cancer in adults	Exclude from pharmacy, code 12 (Medical Benefit Drug). Cover on Medical Benefit.	Must be administered in a healthcare facility (Medical benefit drug)	New to market drug- no current utilization	\$9,360 (1 year)
Amvuttra	vutrisiran	Polyneuropathy associated with hereditary transthyretin-mediated amyloidosis in adults	Exclude from pharmacy, code 12 (Medical Benefit Drug). Cover on Medical Benefit.	Must be administered in healthcare facility (medical benefit drug)	New to market drug- no current utilization	\$556,200 (1 year)
Ztalmy	ganaxolone	Treatment of seizures associated with CDKL5 deficiency disorder	Cover with Prior Authorization (Pharmacy Benefit Drug)	First pharmacological treatment option for CDHL5 deficiency Rett Syndrome. Ketogenic diet was the only previous recommendation for these patients.	New to market drug- no current utilization	\$342,792 (1 year)
Byooviz	ranibizumab-nuna	Macular degeneration (age related), macular edema, diabetic retinopathy	Exclude from pharmacy, code 12 (Medical Benefit Drug). Cover on Medical Benefit.	Must be administered in healthcare facility (medical benefit drug). This is a biosimilar to Lucentis.	New to market drug- no current utilization	\$16,272 (1 year)
Alymsys	Bevacizumab-maly	Various cancers. Alymsys is a 3 rd Avastin biosimilar to the market.	Exclude from pharmacy, code 12 (Medical Benefit Drug). Exclude on Medical Benefit.	Current covered biosimilar is Zirabev (\$5,888/ 28 days). Must be administered in healthcare facility (medical benefit drug).	New to market drug- no current utilization	\$6,899 (28 days)

Second review of Drugs

<u>Brand</u>	<u>Generic</u>	<u>Use</u>	<u>Recommendation</u> <u>(exclusion code if</u> <u>applicable)</u>	<u>Rationale</u>	<u>Impacted</u> <u>Members**</u>	<u>Medication</u> <u>cost*</u>
Brukinsa	zanubrutinib	Mantle cell lymphoma and Waldenstrom's macroglobulinemia	Cover with Prior Authorization on Pharmacy Benefit (previously excluded)	Newly approved indications	0	\$201,552 (1 year)
Prevymsis	letermovir	Cytomegalovirus prevention in hematopoietic stem cell transplant patients	Cover with Prior Authorization on Pharmacy Benefit (previously excluded)	New evidence published in 2022 showing improvement of overall survival	1 (positive impact)	\$28,442 (100 days)
Monjuvi	Tafasitamab-cxix	Relapsed or refractory diffuse large B-cell lymphoma	Exclude from pharmacy, code 12 (Medical Benefit Drug). Cover on Medical Benefit	New evidence published in 2022 showing improvement of overall survival	0	\$33,120 (1st cycle)
Tavalisse	fostamatinib	Immune thrombocytopenia	Cover with Prior Authorization on Pharmacy Benefit (previously excluded)	Need for 3 rd line therapy option after treatment failure	0	\$43,747 (12 weeks)
Mozobil	plerixafor	Hematopoietic stem cell mobilization	Retire Prior Authorization criteria through EBRx (coverage on Medical Benefit follows HA criteria)	Drug is a part of therapy protocols for non-Hodgkin lymphoma and multiple myeloma	0	\$37,284 (4 days)

Noxafil	posaconazole	Mucormycosis	Cover with Prior Authorization on Pharmacy Benefit (previously excluded)	Need for invasive mucormycosis coverage. This drug is an antifungal agent.	0	\$7,401 (30 days)
Cresemba	isavuconazonium	Mucormycosis	Cover with Prior Authorization on Pharmacy Benefit (previously excluded)	Need for invasive mucormycosis coverage. This drug is an antifungal agent.	1 (positive impact)	\$7,269 (30 days)
Ayvakit	avapritinib	Metastatic gastrointestinal stromal tumor	Cover with Prior Authorization on Pharmacy Benefit (previously excluded)	Need for 2 nd line therapy after imatinib treatment failure	1 (positive impact)	\$514,110 (1 year)
Doptelet	avatrombopag	Thrombocytopenia	Cover with Prior Authorization on Pharmacy Benefit (previously excluded)	Need coverage for liver disease-associated thrombocytopenia prior to procedure	1 (positive impact)	\$6,280 (5 days)
Uloric	febuxostat	Uricemia and gout; prevention of tumor lysis syndrome	Retire EBRx Prior Authorization criteria on Pharmacy Benefit	Introduction of generic competition has positively impacted the availability and cost of this drug	18 (positive impact)	\$479 (1 year)
Zytiga	abiraterone	Antiandrogen therapy in prostate cancer	Retire EBRx Prior Authorization criteria on Pharmacy Benefit	Introduction of generic competition has positively impacted the availability and cost of this drug	19 (positive impact)	\$4,320 (1 year)
Adcetris	brentuximab vedotin	Hodgkin lymphomas, anaplastic lymphomas, peripheral T-cell lymphoma, mycosis fungoides	Retire Prior Authorization criteria through EBRx (coverage on Medical Benefit)	Updated overall survival data available for first line Hodgkins Lymphoma- all FDA indications now covered removing	0	\$290,246 (maximum 12 doses)

			follows HA criteria)	necessity for an EBRx Prior Authorization.		
Veltassa	patiromer	Hyperkalemia	Cover with Prior Authorization on Pharmacy Benefit (previously excluded)	Need for hyperkalemia treatment in the setting of heart failure	0	\$18,845 (1 year)
Lokelma	Sodium zirconium cyclosilicate	Hyperkalemia	Retire EBRx Prior Authorization criteria on Pharmacy Benefit, in-state quantity limit	Need for hyperkalemia treatment in the setting of constipation (sodium polystyrene sulfonate is contraindicated due to risk of intestinal necrosis).	0	\$10,650 (1 year)
Dibenzyline	phenoxybenzamine	Pheochromocytoma	Exclude code 13 (Pharmacy Benefit Drug, previously covered)	Preoperative alpha 1 receptor blockade has been shown to be achieved by doxazosin with similar results (\$218 per 2 weeks)	0	\$21,747 (2 weeks)
Brexafemme	ibrexafungerp	Vulvovaginal candidiasis (fluconazole resistance)	Cover with Prior Authorization (Pharmacy Benefit Drug)	Need for candidiasis treatment in the setting of fluconazole resistance	1	\$598 (2 days)
Thiola	tiopronin	Cystine nephrolithiasis	Cover with Prior Authorization, in-state day supply limit (Pharmacy Benefit Drug, previously covered with no prior authorization)	Need for kidney stone prevention in members who are prone to cystine stones (tiopronin increases solubility)	1	\$121,860 (1 year)

Cosela	trilaciclib	Chemotherapy-induced myelosuppression	Exclude from pharmacy, code 12 (Medical Benefit Drug). Cover on Medical Benefit.	Must be administered in healthcare facility (medical benefit drug).	0	\$1,727 (1 chemotherapy cycle, dose based on Body Surface Area)
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