



**Medicaid Forum**

# Rhode Island Public Expenditures Council

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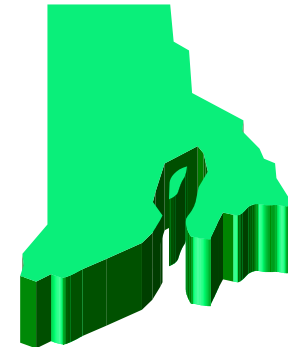
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## Objectives

- CVSCaremark Commitment to Medicaid
- Challenges and Solutions
- Case Study

# Recent Engagement



## ■ Our Experience in Medicaid

- CVS Pharmacy – pharmacy services provider in both fee-for-service and managed care networks
  - 47 states/territories
  - Approximately 85 million prescriptions filled in 2013
- Caremark – provides pharmacy benefit management services
  - More than 5 million members
  - 26 states
  - 25-30% market share
- Expansion of capabilities
  - Clinical programs designed for this population
  - \$20 million in budgeted capital investment in 2013
  - Acquisition of Coram Specialty Infusion

# ■ Challenges and Solutions

- Many common challenges across the states
  - Budgetary issues
  - Regulatory/administrative complexity and variation
- Create and administer a clinically appropriate pharmacy benefit that is economically sustainable
- Size and scope enables potential “best practice” opportunities

# Solutions

- “Customized” pharmacy networks
- Managed Medicaid template formulary
  - Clinically comprehensive formulary developed for Medicaid populations
  - Generic based, closed formulary
  - Incorporates recommended utilization management programs (Prior Authorization, Step Therapy, Quantity Limits, etc.)
  - Represents a “starting point” for development of state/plan specific formulary
  - Collaboration/support to address regulatory issues – “NY Prescriber Prevails”

# ■ Case Study – NY Prescriber Prevails

- Enables access to specified drugs if for an FDA approved indication or meets specified criteria
- Legislated through state budget process, not DOH driven
- CVSCaremark response –
  - Developed a single compliance plan and prior authorization operational process for use by all applicable clients
  - Coordinated review with health plan clients, Health Plan Association of NY and NY DOH
  - Monitoring/analyzing impact by client
  - Coordinating use of consolidated analysis for use by HPA in discussions with State of NY