

Prior Authorization Program for High Cost Drugs



Significant cost

High cost specialty drugs are used by a small number of members but the cost to health plans is significant and growing.

To help clients manage these costs, and to ensure the sustainability of health plans, we are implementing a Prior Authorization Program for High Cost Drugs starting April 18, 2016.

Which medications will be part of the program?


To start, three classes of drugs will be part of this program — PCSK9 inhibitors, Hepatitis C drugs, Botulinum toxins (Botox™ and Xeomin™).

1. PCSK9 INHIBITORS — These are new biologic drugs for high cholesterol. The first drug on the market in this category is Repatha™, which costs approximately \$7,000 per year.

Unfortunately, approximately 40 percent of the Canadian population has an unhealthy level of cholesterol so the potential utilization for this drug could be significant.

Not all patients with high cholesterol require Repatha. Most are treated adequately with statins (e.g., Lipitor™, Crestor™) which cost about \$150 per year. Our Prior Authorization Program will help ensure that only patients who are not controlled on maximally tolerated doses of statins are eligible for Repatha.

Two other PCSK9 Inhibitors are expected to enter the market in 2016 and will also require prior authorization.

 **Type of prior authorization —**
Pacific Blue Cross.

2. HEPATITIS C DRUGS — There are new treatments for Hepatitis C that are considered cures in virtually all patients. The course of treatment is typically 8 to 12 weeks, and up to 24 weeks in certain cases. Treatment costs \$50,000 to over \$130,000 per patient, depending on the drug and length of therapy. In 2015, three of the drugs were added to the BC PharmaCare formulary and are available with Special Authority approval.

Chronic Hepatitis C progresses very slowly as liver disease can take up to 25 or 30 years to develop. Infected individuals may be asymptomatic for many years. It is estimated that 250,000 Canadians have Hepatitis C, many

unknowingly. Our Prior Authorization Program will ensure that only members who meet criteria reflecting best practices are eligible for these costly therapies. Pacific Blue Cross will ensure that BC PharmaCare has approved and is covering the cost of the Hepatitis C drugs listed on the provincial formulary. For Hepatitis C drugs not listed with BC PharmaCare, members will need to meet Pacific Blue Cross prior authorization criteria.

Note — Members who have already started their course of treatment will not be impacted when we implement our Prior Authorization Program.

Type of prior authorization —

- Sovaldi™, Holkira Pak™, Harvoni™ — BC PharmaCare Special Authority.
- Daklinza™, Technivie™, Zepatier™ — (These drugs are not yet listed with BC PharmaCare.) Pacific Blue Cross.

3. BOTULINUM TOXINS (BOTOX and XEOMIN) —

We currently require prior authorization for Botox and Xeomin with a doctor's note confirming a medical reason for the drug.

We are formalizing this approach by requiring doctors to complete a prior authorization form to better ensure that only Health Canada approved indications/conditions are being treated. Cosmetic purposes are still not considered eligible medical reasons for Pacific Blue Cross drug plans.

Additionally, the drugs must be dispensed from a pharmacy; receipts from medical clinics are no longer acceptable, except in certain situations (e.g. a neurological clinic).

Type of prior authorization —
Pacific Blue Cross.

As new specialty drugs enter the market, they will be added to the Prior Authorization Program as determined by our internal Drug Advisory Committee. Only chronic, non-urgent medications will be part of this program.

A Healthy Dose of Savings



Pacific Blue Cross
Members save on
prescriptions here.

COSTCO
WHOLESALE

LONDON
DRUGS

save on foods

What are the benefits of this program?

- Helps protect the plan from escalating drug costs
- Monitors appropriateness of the therapy:
 1. Only drugs that Health Canada has approved for the member's medical condition will be considered
 2. Ensures members meet clinical criteria and/or have tried more cost effective therapies before the plan covers the specialty drug

- Coordinates with provincial funding in BC for drugs — If the drug is covered on the provincial formulary, the member's physician must apply for BC PharmaCare Special Authority coverage.

If approved, the Pacific Blue Cross plan will cover the member's Pharmacare deductible and coinsurance amounts, while the majority of the cost will be borne by BC PharmaCare.

Currently, this is applicable to the Hepatitis C drugs that are covered by BC PharmaCare, but the intent of our Prior Authorization program is to capitalize on the provincial plan where possible when new drugs are added to it.

What is the process for members?

Members will be notified that their medication requires prior approval either by the Patient Assistance Program provided by the manufacturer of the drug being prescribed, or by their pharmacist.

The Patient Assistance Program and pharmacies in our Preferred Pharmacy Network (PPN*) will offer enhanced assistance to the member with the process.

Pacific Blue Cross

Prior authorization forms will be made available on our website. The form must be completed by the physician, and then faxed to Pacific Blue Cross.

We will review the forms and communicate our decision in writing to the member within five business days in most cases. If approved, we'll indicate the duration of the approval. Members can also view approvals in CARESnet. Once approved, subsequent fills will be covered up to the plan limits at point of sale for plans with a pay direct drug plan, and by paper claims submission.

If the drug is dispensed prior to our decision, approvals will be made retroactive to the date of application.

BC PharmaCare Special Authority

Special authorization forms are available on BC PharmaCare's website. The physician must complete the form and fax it to BC PharmaCare. BC PharmaCare will notify the member in writing of its decision.

If approved, the member must submit a copy of the letter of approval to us. Upon receipt, we will update our system to accept future claims for the drug at point of sale for pay direct drug plans, and by paper claims submission.



Physician fee?

If the physician charges a fee to complete the Pacific Blue Cross or BC PharmaCare form, it can be claimed under a Health Spending Account; otherwise the member must bear this cost.