

**State and Public School Life
And Health Insurance Board
Minutes
August 10, 2010**

The 109th meeting of the State and Public School Life and Health Insurance Board (hereinafter called the Board), met on August 10, 2010 at 1:00 p.m. in the EBD Board Room, 501 Woodlane, Suite 500, Little Rock, AR 72201.

MEMBERS PRESENT

Janis Harrison
John Kirtley
William Goff
Shelby McCook
Bob Alexander
Vance Strange

MEMBERS ABSENT

Dr. Joseph Thompson
Dr. Andrew Kumpuris
Renee Mallory
Robert Watson
Lloyd Black

Jason Lee, Executive Director, Employee Benefits Division.

OTHERS PRESENT:

George Platt, Leigh Ann Chrouch, Michelle Hazelett, Stella Greene, Marla Wallace, Paige Harrington, Lori Eden, Latryce Taylor, Amy Redd, Gina Grable, Donna Cook, Sherry Bryant, Sherri Saxby, Cathy Harris, EBD; Ronda Walthall, EBD-ACHI; David Bridges, Kathy Ryan, Barbara Melugin, ABCBS/Health Advantage; Stephanie Howard, AR Highway & Transportation Dept, Shonda Rocke, Informed Rx; Joseph Chang, Securian; Dwane Tankersley; NovaSys; John Greer, Humana; Stan King, DFA Office of Information Services; Julie Buckman, AR State Board of Pharmacy; Paul Ford, DFA; Jill Johnson, UAMS-College of Pharmacy; Karen Payne, American Health Holdings; Steve Singleton, AR Retired Teachers Association; Saintete' Martinez;

CALL TO ORDER

Meeting was called to order by Janis Harrison, Chairman.

APPROVAL OF MINUTES

The request was made by Harrison to approve the July 13, 2010 minutes. Strange made the motion to approve minutes. Kirtley seconded. All were in favor. Minutes approved.

DRUG UTILIZATION & EVALUATION COMMITTEE (DUEC) by Dr. William Golden, Chairman

Dr. Golden reported the DUEC meet on August 2, 2010, and then presented the following recommendation for the Board's consideration.

1. REVIEW OF PA CRITERIA AND UTILIZATION OF SINGULAIR AND OTHER LEUKOTRIENE ANTAGONISTS

Recommendation: To continue with the current policy in place to exclude the LTRA's (including Singulair) for allergic rhinitis and allow coverage of Singulair in selected asthma patients (subject to a PA).

Kirtley made the motion to accept recommendations for Leukotriene Antagonists. Strange seconded. All were in favor. Motion carried.

2. NEW DRUGS

Drug Name

Tier

VIMOVO

Exclude

Relief of Signs and Symptoms of Osteoarthritis, Rheumatoid Arthritis, and Ankylosing Spondylitis and to Decrease the Risk of Developing Gastric Ulcers in Patients at Risk of Developing NSAID Associated Gastric Ulcers.

PANCREAZE CAP

T3

Treatment of exocrine pancreatic insufficiency due to cystic fibrosis or other conditions.

NATAZIA TAB

Exclude

Is a combined oral contraceptive (COC) indicated for use by women to prevent pregnancy.

JALYN CAP

T3

Treatment for Benign Prostatic Hyperplasia.

OLEPTRO TAB 24HR15

Exclude

Long acting trazodone product used to treat depression.

PROLIA SOL 60MG/ML

Exclude

Is a prescription medicine used to treat osteoporosis (thinning and weakening of bone) in women after menopause.

LIVALO TAB 1MG

Exclude

Livalo (pitavastatin) is the newest statin to be approved by the U.S. Food and Drug Administration to treat high cholesterol.

CAMBIA POW 50MG

Exclude

50 mg PO as a single dose per migraine; repeat doses are not recommended.

<u>Drug Name</u>	<u>Tier</u>
LYSTEDA TAB 650MG Only oral tranexamic acid available. Lysteda is indicated for treatment of heavy menstrual bleeding.	Tabled
ORBIVAN CAP Indicated for the relief of the symptom complex of tension (or muscle contraction) headache.	Exclude
ZYMAXID SOL 0.5% Treatment of Bacterial Conjunctivitis.	T3
PROVENGE INJ Treatment of asymptomatic or minimally symptomatic metastatic, castrate-resistant (hormone refractory) prostate cancer.	NA/Medical
ZORTRESS TAB 0.25MG Prophylaxis of organ rejection in adult patients at low moderate immunologic risk receiving a kidney transplant used in conjunction with cyclosporine or induction therapy with Simulect.	T3/PA to screen for appropriate QL
CENHIST CHW 6-15MG This combination medication is used to temporarily relieve symptoms caused by the common cold, flu, allergies, or other breathing illnesses (such as sinusitis, bronchitis).	Exclude
ZIRGAN GEL 0.15% Contains a sterile, topical <u>antiviral</u> for ophthalmic use.	Exclude/Pending other info
ZYCLARA CRE 3.75% A lower concentration of imiquimod, a 3.75% cream, for the treatment of actinic keratosis.	T3
EXALGO TAB 8MG, For the management of moderate to severe pain in opioid tolerant patients requiring continuous, around-the-clock opioid analgesia for an extended amount of time.	Exclude
FEMECAL OB PAK PLUS Prenatal vitamin.	Exclude
PENNSAID SOL 1.5% Is a nonsteroidal anti-inflammatory drug (NSAID) indicated for the treatment of signs and symptoms of osteoarthritis of the knee(s).	Exclude
QUTENZA KIT 8% 2-PCH The FDA approved the Rx-only capsaicin 8% patch (Qutenza) for the management of neuropathic pain associated with postherpetic neuralgia (PHN) in November 2009.	Exclude
ORAVIG Local treatment of oropharyngeal candidiasis in adults.	Exclude

Drug Name

Tier

HYPHANOX

Exclude

Treatment of onychomycosis of the toenail due to *Trichophyton rubrum* or *t. Mentagrophytes* in no immunocompromised patients.

LUMIZYME

PA (Specialty drug)

Only treatment approved for Late-Onset Pompe Disease (acid alpha-glucosidase deficiency) (> 8 years of age).

Kirtley made the motion to accept recommendations for new drugs. Strange seconded. All were in favor. Motion carried.

Dr. Golden reported the DUEC also reviewed the following. No action was required by the Board.

3. REVIEW ANTIHISTAMINE CLASS AND OTC PRODUCTS

Antihistamine class was excluded from coverage as of April 1, 2008. Below is a list of currently excluded medications to be examined to see if exclusion is still the appropriate coverage decision.

- Loratidine D (Claritin)
- Fexofenadine and fexofenadine D (Allegra and Allegra D)
- Cetirizine and cetirizine D (Zyrtec and Zyrtec D)
- Desloratadine and desloratadine D (Clarinex and Clarinex D)
- Levocetirizine (Xyzal)

The committee plans to consider phasing out the incentive program and to review payment policies for OTC drugs and provide information and discussion items at next meeting- policy to include a re-evaluation process for each item.

4. Pediatric Drug utilization (members under 18)

The committee reviewed the top 10 classes prescribed by number of scripts, the top ten medications by number of scripts filled and the top 3 medications by plan cost.

- 5. AMPYRA® (dalfampridine) Extended Release Tablets** is indicated as a treatment to improve walking in patients with multiple sclerosis (MS). This was demonstrated by an increase in walking speed. The DUEC excluded the drug in their last meeting, but EBD has received multiple appeal requests since that time.

UAMS Consultant provided the committee with an article from the Lancet medical journal: Sustained-release oral fampridine in multiple sclerosis: a randomized, double-blind, controlled trail.

The DUEC upheld the previous recommendation to exclude coverage. Dr. Golden said they will continue to monitor Ampyra.

FINANCIALS by Leigh Ann Chrouch, CFO

Chrouch presented detailed financial statements for the Arkansas State Employees (ASE) and the Public School Employees (PSE) for June 2010 and the penalties assessed by state agencies and school districts.

HEALTHCARE REFORM UPDATE by Jason Lee

Lee provided the Board with a memorandum explaining the Grandfather status of AR Health. *The recent federal healthcare reform legislation provides for a health insurance plan to exempt itself from a few federal mandates if the plan is considered a "Grandfathered" health plan.* Lee explained even though this plan was in effect when the legislation was passed there has remained a question regarding whether or not the plan can avail them to those exemptions or if they have lost their grandfathered status.

Lee reported after consultation with federal DHS employees and through review of the applicable federal regulations, it is clear that both state non-Medicare and school non-Medicare retiree groups have lost their Grandfathered status due to the reduction of employer contribution percentage from 2010 to 2011. Although the premium paid by the retiree remained the same or was reduced, the percent of contribution allocated by the employer (or plan) reduced beyond the allowable reduction to retain the Grandfather status. Similarly, and although yet to be confirmed, the public school active groups are at risk of losing their grandfathered status due to the district's annual allocation to their employee's premium.

Lee made the recommendation that the State and Public School Active and Retirees plans forgo any potential Grandfathered protection and proceed with all plans and plan options subject to all applicable Non-Grandfathered plan rules.

Goff made the motion to accept the recommendation. Kirtley seconded. All were in favor. Motion carried.

Meeting Adjourned.

The following pages were made available to
attendees of the meeting

AGENDA

**State and Public School
Life and Health Insurance Board
EBD Board Room
501 Building, 5th Floor
1 p.m.
August 10, 2010**

1. **Call to Order** *Janis Harrison, Chairman*
2. **Approval of Minutes** *Janis Harrison, Chairman*
3. **DUEC Report**..... *Dr. William Golden, Chairman*
4. **Financials –June 2010** *Leigh Ann Chrouch, CFO*
5. **Health Reform Update** *Jason Lee, Director*
6. **Director’s Report**..... *Jason Lee, Director*

Next Meetings

September 14th
October 12th

The Drug Utilization and Evaluation Committee (DUEC)

The following recommendations for the Board consideration resulted from a meeting of the DUEC on August 2, 2010.

1. REVIEW OF PA CRITERIA AND UTILIZATION OF SINGULAIR AND OTHER LEUKOTRIENE ANTAGONISTS

Recommendation: To continue with the current policy in place to exclude the LTRA's (including Singulair) for allergic rhinitis and allow coverage of Singulair in selected asthma patients (subject to a PA).

2. REVIEW ANTHISTAMINE CLASS AND OTC PRODUCTS

Antihistamine class was excluded from coverage as of April 1, 2008. Below is a list of currently excluded medications to be examined to see if exclusion is still the appropriate coverage decision.

- Loratidine D (Claritin)
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- Cetirizine and cetirizine D (Zyrtec and Zyrtec D)
- Desloratadine and desloratadine D (Clarinex and Clarinex D)
- Levocetirizine (Xyzal)

Recommendation: Continue the current exclusion of the antihistamine drug class.

The committee plans to consider phasing out the incentive program and to review payment policies for OTC drugs and provide information and discussion items at next meeting- policy to include a re-evaluation process for each item

3. PEDIATRIC DRUG UTILIZATION (members under 18)

The DUEC was provided a summary of Pediatric medication utilization for 2008.

- 72% (15,136) of the total number of pediatric members (21,311) filled a prescription for at least one medication in 2009
- Pediatric members (21,311) make up 17% of our population (128,494)
- There were 97,821 pediatric pharmacy claims paid.
- The total plan cost for pediatric medications filled in 2009 was \$5.75 M.
- Pediatric medications (\$5,731,239) were 1.2% of the TOTAL (medical and pharmacy spend = \$469,472,053) plan cost in 2009.

The committee reviewed the top 10 classes prescribed by number of scripts, the top ten medications by number of scripts filled and the top 3 medications by plan cost.

No action required by the Board.

4. **AMPYRA®** (dalfampridine) Extended Release Tablets is indicated as a treatment to improve walking in patients with multiple sclerosis (MS). This was demonstrated by an increase in walking speed.

The DUEC excluded the drug in their last meeting, but EBD has received multiple appeal requests since that time.

UAMS Consultant provided the committee with an article from the Lancet medical journal: Sustained-release oral fampridine in multiple sclerosis: a randomized, double-blind, controlled trial.

Recommendation: The committee decided by consensus to uphold the previous recommendation to exclude coverage. DUEC Chairman said they will continue to monitor Ampyra.

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