

**State and Public School Life and Health Insurance Board**  
**Minutes**  
**January 19, 2010**

The 104th meeting of the State and Public School Life and Health Insurance Board (hereinafter called the Board), met on Tuesday, January 19, 2010 at 1:00 p.m. in the EBD Board Room, 501 Woodlane, Suite 500, Little Rock, AR 72201.

**Members Present**

Janis Harrison  
Renee Mallory  
John Kirtley  
Dr. Andrew Kumpuris  
Anita Woodall  
Shelby McCook  
Bob Alexander  
Lloyd Black  
Vance Strange  
William Goff  
Robert Watson

**Members Absent**

Dr. Joseph Thompson

Jason Lee, Executive Director, Employee Benefits Division.

**Others Present:**

Dr. William Golden, Medicaid Medical Director; Leigh Ann Chrouch, Michelle Hazelett, Doug Shackelford, Amy Tustison, Stella Greene, Donna Cook, Paige Harrington, Sherri Saxby, Jane Young, Amy Redd, Latryce Taylor, Tracy Collins, Sherry Bryant, Shannon Roberts, Florence Marvin, Lori Eden, Gina Grable, Cathy Harris, EBD; Rhonda Hill, ACHI/EBD; Kathy Ryan, Ron Deberry, David Bridges, Barbara Melugin, ABCBS/Health Advantage; Wayne Whitley, AR Highway & Transportation Dept, Karen Henson, Pamela Hickman, AR Game & Fish Commission; Kim Henderson, AR Development Finance Authority; Dwight Davis, Susan Walker, Data Path; Carol White, PDB Enterprise; Barry Fielder, Shonda Rocke, Informed Rx; John Foose, Roy Lamm, Qual Choice; Marc Watts, AR State Employee Association; Christi McGeorge, Delta Dental; Jill Johnson, UAMS- Evidence-based Prescription Drug Program (EBRx); Bryan Meldrum, Dwane Tankersley, Novasys; Joseph Chang, Securian; Pamela Hickman, Karen Henson, AR Game & Fish Commission; Kathleen Whaley

**Call to Order**

Meeting was called to order by Janis Harrison, Chairman

**Approval of Minutes**

The request was made by Harrison to approve the October 20, 2009 minutes. Mallory made the motion to approve minutes. Strange seconded. All were in favor. Minutes approved.

Harrison welcomed new Board member, Bob Alexander, Attorney Specialist with AR Insurance Department. Alexander fills the seat vacated by Joe Musgrove.

## Committee Reports

**Drug Utilization & Evaluation Committee (DUEC)** by Dr. William Golden, Chairman  
Dr. Golden reported the DUEC meet on January 11, 2010. Golden said they had a rather lengthy meeting and then presented the following recommendations for the Board's consideration.

Listed are the current Prior Authorization (PA) followed by the EBRx call center.

1. **Leflunomide** is a medication that reduces inflammation and swelling due to rheumatoid arthritis.
  1. PA center approves all requests; the use is rheumatoid arthritis (RA).
  2. Off-label use is for Cytomegalovirus (CMV) in transplant recipients
  3. Costs is \$20

**Recommendation:** Remove prior authorization (PA) for leflunomide.

2. **Accutane** is a powerful drug used in the treatment of acne.
  1. Patients must gain access to the drug through the iPledge program. iPledge's primary goal is to ensure no woman gets pregnant while using isotretinoin.
  2. Cost is about \$1200/month depending on patient weight. Dose is 0.5mg-1mg/kg/day divided into 2 doses.
  3. Previous anti-acne therapy  
Most all patients have previous antibiotics and other acne drugs.

Johnson provided the committee with the requirements of the iPledge program and the criterions for obtaining the drug through the program.

**Recommendation:** Remove PA from Accutane because the iPledge functions in the same capacity for safety.

3. **Daytrana (methylphenidate patch)** is a methylphenidate patch that, unlike all other ADHD medications that are taken orally, is applied to the skin.
  1. Automated look back for any oral ADHD agent ever. If none found (or no history on the patient), a PA is required that calls for the patient to be unable to take oral drugs.
  2. Concerta and Focalin XR have the bulk of the methylphenidate/dexmethylphenidate market share (67.5% between the two products). Daytrana has 4.3% of the market share. Not much difference in plan cost between Concerta and Daytrana, as they are both currently preferred. Focalin XR is a little less due to its non-preferred status.
  3. Cost: #30 Daytrana is \$162. #30 Concerta= \$174. #30 Focalin XR=\$146.

**Recommendation:** Discontinue the Daytrana PA requirement because most all Daytrana prescriptions are approved because they have fulfilled the criteria.

4. **Effexor XR (brand only)** is indicated for major depressive disorder, generalized anxiety disorder, panic disorder, and social anxiety disorder.
  1. Fail 2 antidepressants

**Recommendation:** PA criteria; fail 2 generic SSRI's (paroxetine, sertraline, citalopram, fluoxetine), each of at least 4w or significant side effects. Grandfather those who have Effexor XR filled in past 120 days (arbitrary).

**5. Statin Combos:** Statins are medications that lower cholesterol levels in the blood. Statins are prescribed to people that are at high risk or currently have cardiovascular disease

1. Reference price all statins, cost based on simvastatin.
2. Also currently "failure after 3 months at a max dose of another statin allows Crestor 20 or 40mg or Lipitor 40 or 80mg to pay. (so someone could try fluvastatin 80mg and not reach goal and then go straight to Crestor 20; instead we would rather them try a statin like pravastatin 80mg or simvastatin 40 or 80mg that would more realistically help them achieve their goal before labeling them as "failed" on statins besides Lipitor or Crestor.
3. Caduet (atorvastatin/amlodipine) is currently not included. This allows members to receive atorvastatin at the T3 copay (\$60, with a plan balance of ~\$65).
4. Vytorin (simvastatin/ezetimibe) is currently T3 and not included in RP.

**Recommendation:**

**1)** Change the criteria that would allow for Lipitor 80mg or Crestor 20 or 40mg to pay after failing the equivalent of simvastatin 80mg OR becoming intolerant to simvastatin and with having tried and failed the equivalent of simvastatin 80mg.

**2)** Add Caduet 5-80mg and 10-80mg, to PA the same as for Lipitor 80mg. Cover at same tier as Lipitor 80mg if approved. Continuous Caduet users would be grandfathered and would continue to get Caduet without ST, PA, and at the current tier. Those with a 90 day nonfill period and new users would be required to fulfill the Lipitor80/Crestor 20/40 PA criteria.

**3)** All other strengths of Caduet will fall under the statin reference pricing arrangement. No PA required.

**4)** Vytorin (Generic Name: ezetimibe and simvastatin): New prescriptions will be covered on the tier 4 level; grandfather current users at current benefit of tier 3 copay and the committee will revisit in the next meeting.

McCook made the motion to adopt recommendations 1 through 5. Black seconded. All were in favor. Motion carried.

**6. Itraconazole** is agent that is prescribed to patients with fungal infections

1. Every claim rejects at the point of sale.
2. PA allows for any systemic fungal infection.
3. PA criteria allows for coverage of onychomycosis if also have DM, are immunocompromized, or if the patient's disease is severe enough to cause significant pain that limits normal activities of daily living or interference with work or in a patient with repeat ingrown toenails requiring surgery.
4. The potassium hydroxide (KOH) test

**Recommendation:**

1. Continue to allow for any systemic fungal infection.
2. Continue to allow for coverage of onychomycosis with the above conditions.
3. Require all other patients without the conditions above but with onychomycosis to have tried terbinafine first, meaning have on their profiles (arbitrary) 9 of the previous 12 months a terbinafine prescription before allowing itraconazole for this diagnosis.

Strange made the motion to adopt the recommendation for Itraconazole. Woodall seconded. All were in favor. Motion carried.

**7. Long acting beta-2 agonist (LABA) (*For Asthma only*)**

LABA are allowed once 1 inhaled steroid is filled. Currently if the PA is approved, it is for 12 months, so someone can get 1 inhaled steroid per 12 months and get LABA 12 of 12 months.(not optimal asthma care) ((Note: age over 40 exempt from this PA)

**Recommendation:** Allow LABA if inhaled steroid is on the profile 3 of the past 4 months OR if the patient currently qualifies as Moderate-Persistent Asthma (with questionnaire at EBRx Call Center which is the case with Advair) if filling salmeterol or formoterol alone will need criteria requiring concurrent use of inhaled corticosteroids (ICS).

**Recommendation:** Change the length of PA to 4 months instead of 12 months. If the PA is approved for 4 months, there will be an automated look back at that point with each fill.

McCook made the motion to adopt the recommendation for long acting beta-2 agonist (LABA) (for Asthma only). Woodall seconded. All were in favor. Motion carried.

**8. Angiotensin II Receptor Blockers (ARBs)** ARBs are used for controlling high blood pressure, treating heart failure, and preventing kidney failure in people with diabetes or high blood pressure. Since these medications have effects that are similar to those of ACE inhibitors, they are often used when an ACE inhibitor cannot be tolerated by patients.

1. Past use or side effect of ace inhibitors (ACEI); no automated look back.

**Recommendation:** Intolerance to an ACEI or maximum dose for that ACEI.

Black made the motion to adopt the recommendation for Angiotensin II Receptor Blockers (ARBs). Kirtley seconded. All were in favor. Motion carried.

**9. Fluconazole 150mg dose** is an azole antifungal medication used to treat vaginal yeast infections.

**Recommendation:** Remove quantity limit from fluconazole.

McCook made the motion to adopt recommendation for Fluconazole 150mg dose. Mallory seconded. All were in favor. Motion carried.

**10. Testosterone** is used in men and boys to treat conditions caused by a lack of this hormone. It is also used in women to treat breast cancer.

Androderm- Transdermal system 2.5 mg per 24 h, 5 mg per 24 h  
Testopel- Implant pellets 75 mg  
Testosterone Cypionate: Depo-Testosterone- Inj.n 100 or 200 mg/mL  
Testosterone Enanthate: Delatestryl- Injection 200 mg/mL  
Testosterone Gel: AndroGel- Gel 1%; Testim- Gel 1%  
Testosterone Buccal System: Striant- Mucoadhesive 30 mg

**Recommendation:** PA Criteria for Approval:

1. Has the male patient been diagnosed with primary hypogonadism or hypogonadotropic hypogonadism **AND** a low serum testosterone (total or free) according to the lab result range faxed in?

Kirtley made the motion to adopt the recommendation for Testosterone. Strange seconded. All were in favor. Motion carried.

## **11. Antiemetics**

In an effort to ensure appropriate use of antiemetic drug therapy and help prevent drug wastage, the dispensing limitations (on separate page) are offered for consideration. Current utilization is primarily in ondansetron tablets (generic Zofran). Based on 4Q09 utilization data, projected annual plan savings upon implementation of these dispensing limits is approximately \$42,800. This assumes no exceptions, although an exception process (via PA) would be available for situations where quantities in excess of the limits were justified.

**Recommendation:** PA - Persistent vomiting

DUEC voted to allow for DOUBLE the listed quantity limit below. If greater than these doses are needed, a PA would occur.

EBRx receives phone call and then EBD Case Management is notified.

McCook made the motion to adopt recommendation for Antiemetics. Strange seconded. All were in favor. Motion carried.

## **12. New drugs**

### **Divista**

### **Exclude**

Specially designed as a once a day nutritional adjuvant to the current standard of care for patients with, or at risk of developing type 2 diabetes mellitus (T2DM). Divista™ provides a method for reducing hyperglycemia and stabilizing the level of serum cholesterol.

### **Embeda**

### **Exclude**

An extended-release oral formulation of morphine sulfate and naltrexone hydrochl, oride indicated for the management of moderate to severe pain when a continuous, around

the- clock opioid analgesic is needed for an extended period of time. Embeda is NOT intended for use as an "as needed" analgesic and is not indicated for acute / postoperative pain or if the pain is mild or not expected to persist for an extended period of time.

**Extavia**

**Tier 2**

An interferon beta indicated for the treatment of relapsing forms of multiple sclerosis (MS) to reduce the frequency of clinical exacerbations. Extavia contains the same active ingredients as Betaseron.

**Invega Sustenna**

**Tier 3**

A new medication that is used to treat symptoms of schizophrenia and lessen the chance of them coming back

**Benzefoam Aer**

**Exclude**

Acne medication foam product

**Bepreve Drops**

**Tier 3**

BEPREVE™ (bepotastine besilate ophthalmic solution) 1.5% is a histamine H receptor antagonist indicated for the treatment of itching associated with signs and symptoms of allergic conjunctivitis

**Kerol AD**

**Exclude**

Used to soften thick, rough, or dry skin caused by certain skin conditions; it is also used to soften and remove damaged or diseased nails without surgery.

**Terbinex Kit**

**Exclude**

Terbinafine is used to treat certain types of fungal infections (e.g., fingernail or toenail).

**Valturna**

**Tier 2**

Valturna is used to treat high blood pressure (hypertension).

**Zodryl DEC Susp**

**Tier 3**

Relieving congestion and cough caused by colds, flu, or hay fever.

**Keralyt Kit Scalp**

**Exclude**

For the removal of excess keratin in hyperkeratotic disorders, including scaling associated with scalp psoriasis or thickened skin of palms and soles, corns and calluses.

**Intuniv**

**Tier 3**

Intuniv is a selective alpha2Aadrenergic receptor agonist indicated for the treatment of Attention Deficit Hyperactivity Disorder (ADHD).

**Stelara**

**Exclude**

Stelara is indicated for the treatment of adult patients (18 years and older) with moderate to severe plaque psoriasis who are candidates for phototherapy or systemic therapy. Stelara is being investigated as a potential treatment for psoriatic arthritis and Crohn's disease.

**Naprelan Pak** **Exclude**  
NAPROXEN (na PROX en) is a non-steroidal anti-inflammatory drug (NSAID). It is used to reduce swelling and to treat pain.

**Folotyn Inj** **Not applicable**  
Therapeutics for use as a single agent for the treatment of relapsed or refractory peripheral T-cell lymphoma (PTCL)

**Donatuss DC** **Tier 3**  
This combination medication is used to temporarily treat cough, chest congestion, and stuffy nose symptoms caused by the common cold, flu, or other breathing illnesses (e.g., sinusitis, bronchitis).

**Zenpep** **Tier 2**  
ZENPEP is a combination of porcine-derived lipases, proteases, and amylases indicated for the treatment of exocrine pancreatic insufficiency due to cystic fibrosis, or other conditions

**Cervarix** **Exclude**  
Cervarix is a vaccine indicated for the prevention of the following diseases caused by oncogenic human papilloma virus types 16 and 18, including cervical cancer, cervical intraepithelial neoplasia grade 2 or worse and adenocarcinoma in situ, and cervical intraepithelial neoplasia grade 1. It is approved for use in females' age 10- 25 years of age.

**Albatussin** **Exclude**  
Relieving congestion and cough due to colds, flu, or hay fever.

**Carbaphen 12** **Exclude**  
This combination medication is used to relieve symptoms caused by the common cold, flu, allergies, "hay fever," and other breathing illnesses (e.g., sinusitis, bronchitis).

**Metozolv ODT** **Exclude**  
Metozolv ODT is indicated for the relief of symptoms in adults associated with acute and recurrent diabetic gastroparesis and for the treatment of short-term therapy (4-12 weeks) for adults with symptomatic documented gastroesophageal reflux disease (GERD) who fail to respond to conventional therapy.

**Twynsta** **Tier 2 with step therapy**  
Twynsta is used to treat high blood pressure (hypertension). Twynsta is sometimes used together with other blood pressure medications

**Uramaxin lot** **Exclude**  
This medication is used as a moisturizer to treat or prevent dry, rough, scaly, itchy skin and minor skin irritations (e.g., diaper rash, skin burns from radiation therapy).

**Votrient** **Tier 3 w/PA (diagnosis of RCC, approve 2 wk supply at a time)**

Votrient is indicated for the treatment of patients with advanced renal cell carcinoma. The recommended dose of Votrient is 800mg/day without food. GSK is investigating Votrient for other indications

**Berinert Inj**

**Exclude, not applicable**

Berinert is a plasma derived concentrate of C1 esterase inhibitor (Human) indicated for the treatment of acute abdominal or facial attacks of hereditary angioedema (HAE) in adult and adolescent patients

**Halonate Kit**

**Tier 3**

This medicine is a kit that contains a topical corticosteroid and a humectant. The corticosteroid reduces skin inflammation (redness, swelling, itching, and irritation). The humectant moisturizes and softens the skin.

**Venelex oint**

**Tier 3**

Protectant like diaper rash cream.

**Nalfon cap 400mg**

**Tier 3**

For relief of mild to moderate pain in adults. For relief of the signs and symptoms of rheumatoid arthritis. For relief of the signs and symptoms of osteoarthritis.

**Rescon-MX**

**Exclude**

This product provides relief of the symptoms resulting from irritation of sinus, nasal, and upper respiratory tract tissue.

**The Benefits Subcommittee Report**

Lee presented the report for Jeff Altemus, Chairman

Lee reported the Benefits Subcommittee met on Thursday, January 14, 2010. The committee was briefed on the financial status of the AR State Employees and Public School Employee groups. The committee will start reviewing the 2010-2011PSE Actives rates in March.

The committee also reviewed the 2010 plan design. The committee had some suggestions for the HDPPO plan and the MRI co-pay. Lee said the early numbers from the plan's actuary look very promising for the next plan year, and so EBD is not in a position where they will need to make any changes to the plan design at this time.

Lee presented one recommendation from the Benefits Subcommittee for the Board's consideration.

**Recommendation:** 1) Eliminate the "student" verification requirement effective as of January 1, 2010 and move towards the tax dependent definition for coverage.  
2) Increase the dependent coverage age to 26.

Lee explained the recommendation is in response to the changes being made by some of the local carriers to their dependent child eligibility rule. Currently the plan requires a dependent child to be a student if they are 19 years old or older but less than 24 years old.

Lee reported the dependent child age limit is being proposed in the healthcare reform bill, and would require health plans to cover dependent children until age 26. Lee said they have consulted with Cafeteria Plan administrators.

McCook informed the Board they previously covered dependent children on the plan to age 27 but they discovered they were not in compliance with the Cafeteria Plan regulations.

McCook made the motion to adopt the Benefits Subcommittee recommendation. Black seconded.

A discussion ensued.

Lee explained they will still continue the dependent audit process and members will be required to provide the appropriate documentation about the dependent children when requested by the plan.

Board members talked about member consequences for fraud and abuse.

Lee said this will be a good move for the plan. They do not have any data that indicates a 25 year old dependent child, who has been termed off the plan, because he/she is a nonstudent, and does not qualify for the collateral dependent coverage, is any unhealthier than the 25 year old college student. Lee said when a nonstudent is termed off the plan they are offered continuation of health coverage with COBRA, and so the plan would still receive those medical claims.

All were in favor. Motion carried.

Lee reported the BSPW received a request from the Benefits subcommittee to take another look at TMJ. Benefits members expressed concerns that the \$1000 limited is insufficient for comprehensive treatment for the condition.

McCook explained the \$1000 dollars is not being used effectively and so it creates a false expectation on the part of the member. McCook said members have usually spent all of the \$1000 by the time they receive a real diagnosis and then the benefits is exhausted and the member will have to pay for their own treatment.

Lee talked about the previous plan design they had in place last year with case management. Lee said the internal case management team did not have the clinical expertise to manage TMJ because there is very little clinical information available.

McCook said if they can not contain it then they will need to eliminate the benefit or consider contracting with dental providers for TMJ.

### **Quality of Care Committee**

Jason Lee presented the report for Scott Pace, Chairman

Lee reported the committee met on January 13, 2010. The committee had another conversation about what responsibilities the quality subcommittee has before it.

*Mission and Purpose as stated in A.C.A. 21-5-404 12(c) (ii)*

*The Quality of Care Subcommittee may review and recommend quality performance indicators for use, recommend baseline performance goals, recommend alignment of financial incentives to improve performance, and track improvements in delivery of care.*

The committee also discussed the previous quality measures and plan level performance indicators for specific diseases as well as the poor member participation level for wellness benefits.

The Quality Committee has requested the EBD staff collect all of the previous HEDIS measures analysis and other reports and combine all of the information into a booklet for each Quality member. Lee said the EBD Staff will spend the next few weeks compiling all of the data.

**Financials** by Leigh Ann Chrouch

Chrouch presented detailed financial statements for the Arkansas State Employees (ASE) and the Public School Employees (PSE) September 2009 through November 2009. Chrouch also presented the ASE Cafeteria Plan Financial 2009 for January 1, 2009 through October 31, 2009.

Chrouch provided a report of the penalties assessed for state and school agencies for July 2009 through November 2009.

**Rx Plan Performance Update** by Barry Fielder

Fielder presented a report by Informed Rx on the plan performance for Arkansas State & Public School Employees for the 2005 through 2009 plan years. The report contained information for Trend analysis, Generic Drug Trends, Key Plan Performance Measures, Specialty Drug Spend Summary and additional information.

**Coverage Policy for New Drugs** by Jason Lee

Lee talked about the proposed coverage policy for new drug that was adopted by the Board in 2009. Lee explained new drugs are excluded for the plan until they are reviewed by the DUEC and then approved by the Board. Typically, new drugs that are approved by the Board are not covered until the beginning of the next quarter.

Lee said they received three requests in December 2009 for a new drug that had been approved by the Board but prior to the effective date of coverage. Lee asked the Board if he had the authority as the Executive Director to allow drugs to be covered prior to the effective date.

McCook made the motion to cover any new drug that has been reviewed by the DUEC and then approved by the Board, be made available to the member soon after. Black seconded. All were in favor. Motion carried.

### **Stipend**

In accordance with ACA § 25-16-903, the State and Public School Life and Health Insurance Board shall approve the reimbursement of qualified expenses at the rate established for state employees by state travel regulations for any meeting or conference attended by any member of the Board by request of the Board Chair or the Executive Director.

Strange made the motion to approve the stipend amount of \$60 in accordance with ACA § 25-16-903, effective January 1, 2010. McCook seconded. All were in favor. Motion carried.

### **Financial Statement**

ACA 21-8-701 requires certain State employees to file a Statement of Financial Interest before January 31 of each year. The Code designates “(a) (4) any agency head, department director, or division director of state government” shall file. The previous law required that all persons serving by appointment on any state, county or local board, agency, commission or department or similar entity who are authorized through rule making adjudication or are authorized to receive or disburse State or federal funds shall file.

### **Retiree Education**

Lee informed the Board about the conversation he had with a soon to be Retiree. Lee said the member was concerned that the agency representatives may not be completely familiar with the retiree enrollment process. Lee said they have done vast amount of communication over the number of years trying to get the agency reps extremely well versed.

Lee said EBD will start a new initiative through their Information Management Department to educate agency representatives about the process.

McCook suggested the initiative include a flowchart for the member and representatives.

### **Healthcare Reform**

Lee said they are staying on top of the healthcare reform issues. Many of the immediate provisions in the senate bill are things that are already incorporated in the plan. Lee said there are some operational challenges that a healthcare reform bill will present, such as the Auto Enrollment and Cadillac Tax.

Chairman Harrison informed the Board that Delta Dental will be providing a TMJ expert to talk with the BSPW at their next meeting.

**Meeting Adjourned.**