Oregon State University Partners with Medicaid and a Managed Care Organization

The Oregon State University College of Pharmacy has contracted to provide faculty expertise to support the pharmacy programs of the Oregon Medicaid Program and a Medicaid managed care organization, CareOregon. These relationships help advance the service mission of the college by promoting safe, efficacious, and cost-effective pharmacotherapy in Oregon. The activities funded under the agreements also offer opportunities for research and student education, promoting the college's educational mission.

■ Background

In 1995, the traditional fee-for-service state Medicaid program was transformed into the Oregon Health Plan (OHP). The OHP was designed to increase the covered population while controlling costs, primarily by using a prioritized list of diagnosis and treatment pairs. Coverage was initially limited to diagnoses above a certain cut-off line that depended on enrollment and funding. However, the Health Care Financing Administration (HCFA) limited this flexibility by disallowing further movement of the line in response to funding shortfalls. HCFA also requires most patients to enroll in a managed care plan and OHP mandates managed care enrollment when possible. For patients enrolled, the plan manages the pharmacy benefit. The exception is mental health drugs, which are covered entirely by fee-for-service Medicaid.

Shortly after the OHP began, about 85% of Medicaid clients were enrolled in managed care plans. This number has since decreased to about 70% as commercial plans have withdrawn from the OHP. Currently, about 125,000 Medicaid patients are covered for drugs in fee-for-service.

CareOregon is a managed care plan in the OHP that primarily serves Medicaid recipients. Its providers and clinics are community health centers, clinics based at the Oregon Health Science University, and independent physician groups.

Currently, CareOregon serves approximately 60,000 members and is expected to reach 100,000 by July 2001, as patients transfer from commercial plans leaving the OHP.

■ Medicaid Program Activities

In 1994, the college entered into a contract with the state Office of Medical Assistance Programs (OMAP), the agency that administers the OHP. The contract has benefited both parties and has expanded over the years to currently fund approximately six full-time-equivalent (FTE) clinical pharmacists whose responsibilities are: (1) administrative support of the Oregon Drug Use Review (DUR) Board, (2) drug policy analysis and consultation, (3) educating Medicaid providers, and (4) providing drug therapy consultation and information to Medicaid providers.

One primary responsibility of the college is to administer the DUR Board. College faculty analyze drug utilization, evaluate new drug therapies, and formulate educational or policy strategies for the DUR Board and OMAP to consider. The faculty then facilitate and implement board recommendations through collaborations with OMAP, contracted managed care plans, or the contracted pharmacy benefit manager (PBM). The OMAP agreement requires that the faculty evaluate and report on the effect of any intervention that is implemented.

OMAP often asks for opinions and evaluation of a variety of drug policy proposals. For example, faculty were asked to evaluate an internal agency proposal to use incentives to increase generic prescribing. The faculty analyzed the feasibility of the program and its potential financial impact under different scenarios.

The agency also regularly requests drug-claim-data reporting and analysis and drug-information and policy research reports. A recent claim analysis reviewed the provider specialties that prescribed mental health drugs. A recent drug information request asked for an evaluation of new drugs used

to treat influenza. A recent policy analysis request was to report on federal law and policies in other states regarding drug co-payments for Medicaid recipients.

Several provider educational programs are already underway or being designed. The college faculty produce a peer-reviewed quarterly newsletter targeted to primary care clinicians so as to promote high-quality, cost-effective prescribing. Articles primarily review therapeutic topics and new drugs; occasionally news briefs cover important breaking drug information. Hard copies are mailed to all providers and pharmacies in the state. Copies are also posted on the college's Web site at http://pharmacy.orst.edu/dur/dur_news.htm.

The faculty are now writing an evidence-based prescribing guide in collaboration with OMAP, commercial managed care plans, and professional medical and pharmacy organizations. The guide is designed as a tool for primary care clinicians. It will contain concise prescribing recommendations for common conditions treated by primary care providers, cost information, dosing information, and formulary and prior authorization information from major managed care plans in Oregon.

Faculty members offer monthly seminars to primary care providers at various clinics that primarily care for Medicaid patients. In addition, clinical faculty consult on drug therapies and respond to drug information requests from Medicaid providers.

Finally, programs are being created to provide academic detailing and drug prescribing feedback for Medicaid providers. These programs are on schedule to be implemented in spring and summer 2001; they will be the primary focus of our activities this year.

■ CareOregon Activities

The college faculty contracted with CareOregon to manage its pharmacy benefit program. The college prepared a form-

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ulary that was implemented in fall 2000. The college coordinates the Pharmacy and Therapeutics Committee, manages the relationship with CareOregon's contracted PBM, writes reports and recommendations for the Utilization Review Committee, published a prescribing guide similar to the one being published for OMAP, and offers educational programs for contracted primary care providers.

■ Teaching and Research Opportunities

Pharmacy clerkship students are integrated into all these activities. Students taking the Drug Information/Drug Policy clerkship respond to drug-information requests, write new drug evaluations, write newsletter articles, and formulate policy recommendations. Students research requests and present reports to the DUR Board, OMAP staff, and CareOregon staff.

Clerkship students must complete a project during their rotation. This is usually a drug-use evaluation in an ambulatory care clinic or using drug claim information. The college also offers a Primary Care/Managed Care Specialty residency that provides opportunities to gain expe-

rience in all of the activities described.

There is considerable opportunity for research as a result of these arrangements. College faculty provide pharmacy policy and drug-use review services to approximately 225,000 covered lives in total, or 67% of the Oregon Medicaid population. Because both OMAP and CareOregon allow access to pharmacy and medical claim data, several projects using Medicaid claims data are underway.

■ Summary

The collaborations between the OSU College of Pharmacy, OMAP, and CareOregon have been beneficial for all parties. There is synergy because both organizations serve Medicaid populations and therefore their goals and patient demographics are similar. The current agreements provide a service to the state of Oregon, a rich learning environment for students, and many opportunities for research.

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