Approved: 02/23/10
Date

MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

The meeting was called to order by Chairman Jim Barnett at 1:30 p.m. on January 14, 2010, in Room 546-S of the Capitol.

All members were present.

Committee staff present:
Nobuko Folmsbee, Office of the Revisor of Statutes
Renae Jefferies, Office of the Revisor of Statutes
Iraida Orr, Kansas Legislative Research Department
Terri Weber, Kansas Legislative Research Department
Jan Lunn, Committee Assistant

Conferees appearing before the Committee:
Barb Langner, PhD, Acting Medicaid Director, Kansas Health Policy Authority (KHPA)

Others attending:
See attached list.

Senator Barnett welcomed special guests attending the meeting: J.J. Jones, from the Department of Commerce and involved in the Kansas Agriculture and Rural Leadership (KARL) program, who was shadowing Senator Barnett; Dana Nanninga, shadowing Senator Schmidt, also involved in the KARL program; and Linda Craghead, Executive Director of the Flint Hills Tourism Coalition, who was shadowing Senator Kelly for the day.

Ron Hein, representing the Midwest Transplant Network, requested introduction of a bill that would amend requirements of the statewide organ and tissue donor registry to include language that provides for an individual who has registered for organ donation has given full legal consent to any tissue or organ donation upon the individual's death. Upon a motion by Senator Schmidt and a second by Senator Kelsey to move introduction, the motion passed.

Dispensing Controlled Substances under Medicaid

Senator Barnett indicated the topic for the meeting originally surfaced during the Joint Health Policy Oversight meeting in which Senator Schmidt raised concerns about the dispensing of controlled substances under Medicaid, and the diversion of those controlled substances, in some circumstances, to illegal sale on the street. Barb Langner, KHPA, began her presentation (Attachment 1) by providing an overview of current practice including activities of the Drug Utilization Board (DUR); upper dosage limits for Schedule II-IV narcotics and requirements for prior authorization when dosage exceeds limits; utilization review; and monitoring under the Surveillance and Utilization Review/Fraud and Abuse (SURS/FADS) unit. Dr. Langner reviewed other states policies, referencing a Prescription Drug Monitoring Program aimed at detecting and deterring drug diversion. A description of KHPA future policy direction was also discussed. Dr. Langner referenced a map , "Status of Prescription Drug Monitoring Programs (PDMPs)" (Attachment 2) which was distributed by Ms. Weber showing states with operational PDMPs, states with enacted legislation but not yet operational programs, and those states with pending legislation. Dr. Langner indicated she understood that Kansas had enacted legislation for a PDMP in 2008 which will be grant funded and implementation is expected in the near future.

Ms. Weber elaborated on the distributed map which came from the Alliance of States with Prescription Monitoring Programs. The Alliance reports 40 states have implemented programs; Kansas is one of four states with enacted legislation awaiting implementation.

Questions from legislators included source and amount of grant funding, ongoing costs and funding for PDMP operation, and pharmacists' authority in dispensing controlled substances when abuse is suspected. Senator Schmidt identified the grants received by the State of Kansas, clarified on-going costs of $150,000-200,000 yearly depending on the software vendor selected, and clarified that with a PDMP implementation, all providers (physicians, mid-level providers, pharmacists) could access the PDMP database to verify prescription prescribing patterns that could indicate potential

fraud or abuse and therefore, make an informed judgment relative to prescription dispensing.

Senator Schmidt expressed concern that LeAnn Bell, Pharm D., KHPA, was not in attendance to answer questions specific to KHPA's pharmacy policies.

Senator Schmidt asked how upper dosage limits are set and what processes or procedures are in place for the pharmacy system edits/audits to engage so that a patient on multiple narcotics cannot receive them, and reimbursement is not made for each individual drug (up to each drug's maximum limits) by the State of Kansas. Senator Schmidt inquired how the Lock-In Program operates and why a beneficiary is not "locked in" to one provider or pharmacy upon his/her initial referral to the program. Finally, Senator Schmidt questioned how a Medicaid beneficiary could be prevented from using a non-Medicaid physician (by paying cash) to obtain a prescription which will be paid for by Medicaid.

Dr. Langner indicated that follow-up will occur at another scheduled meeting with Dr. Bell attending.

The next meeting is scheduled for January 19, 2010.

The meeting was adjourned at 2:09 p.m.

PUBLIC HEALTH AND WELFARE
GUEST LIST
January 14, 2010

NAME	AFFILIATION
Chad Austin	KAHA
Robin Clements	DCCCA
Nancy Zogleman	Polsinelli
Leigh Keck	Hein Law Firm
Tom Bruns	HP Enter. Services
Sarah Tidwell	KSNA
Shawn Giess	KHPA
Anne Spiess	American Cancer Society
Tracy Russell	KHCC
Julia Mowes	KSBHA
Kathleen Sebelius Lippert	KSBHA
Kyle Reynard	Intern
Jarad Forbes	United Health Group
Dodie Wellshear	KAFP

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KANSAS HEALTH POLICY AUTHORITY

Senate Public Health and Welfare Committee
January 14, 2010
Barb Langner, PhD, Acting Medicaid Director

Controlled Substances Dispension Policy in Medicaid

Overview of Current Practice

- Several schedule II-IV narcotics have upper dosage limits and beneficiaries are required to obtain a prior authorization to exceed that dosage.

- Short-acting opiods were presented to the 1/12/10 Drug Utilization Review Board for approval to add them to the other narcotics requiring prior authorization to exceed the set dosage limit.

- DUR Board reviews narcotic utilization and prescribing trends twice a year. For the latest DUR review six months narcotic utilization data was examined using the American Journal of Pain's guidelines for maximum dosage limits and Kansas Medicaid claims exceeding that threshold were less than $50,000.

- The Surveillance and Utilization Review/Fraud and Abuse (SURS/FADS) unit generate quarterly reports monitoring beneficiary use of controlled substances and identifies outliers. Those beneficiaries falling outside of the established norms are evaluated for the lock-in program which requires them to receive services from a single provider (physician, pharmacy, emergency room). In addition potential abuse situations can be reported by providers and outside parties. Currently 362 active beneficiaries are in the lock-in program and an additional 285 continue to be monitored even though they currently are not Medicaid eligible.

- Utilization review nurses issue quarterly reports on prescribing and dispensing practices of providers. Providers suspected of inappropriate prescribing and dispensing of controlled substances are referred to the Peer Education Resource Committee for education and counseling and potentially to the licensing board.

Other States Policy Approaches

- Most states employ policies similar to Kansas, including point of sale edits, dosage limitations, prior-authorization of controlled substances above the recommended dosing level, and lock-in programs

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Public Health and Welfare
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Attachment: 1

- Over 30 states have implemented a Prescription Drug Monitoring Program to improve capacity in detecting and deterring drug diversion. These programs use information from prescriptions for select drugs to evaluate physician prescribing patterns, pharmacist dispensing patterns, and patient purchasing habits. Kansas has enacted legislation to establish a PDMP, but it has not been implemented as yet.

KHPA Future Policy Direction

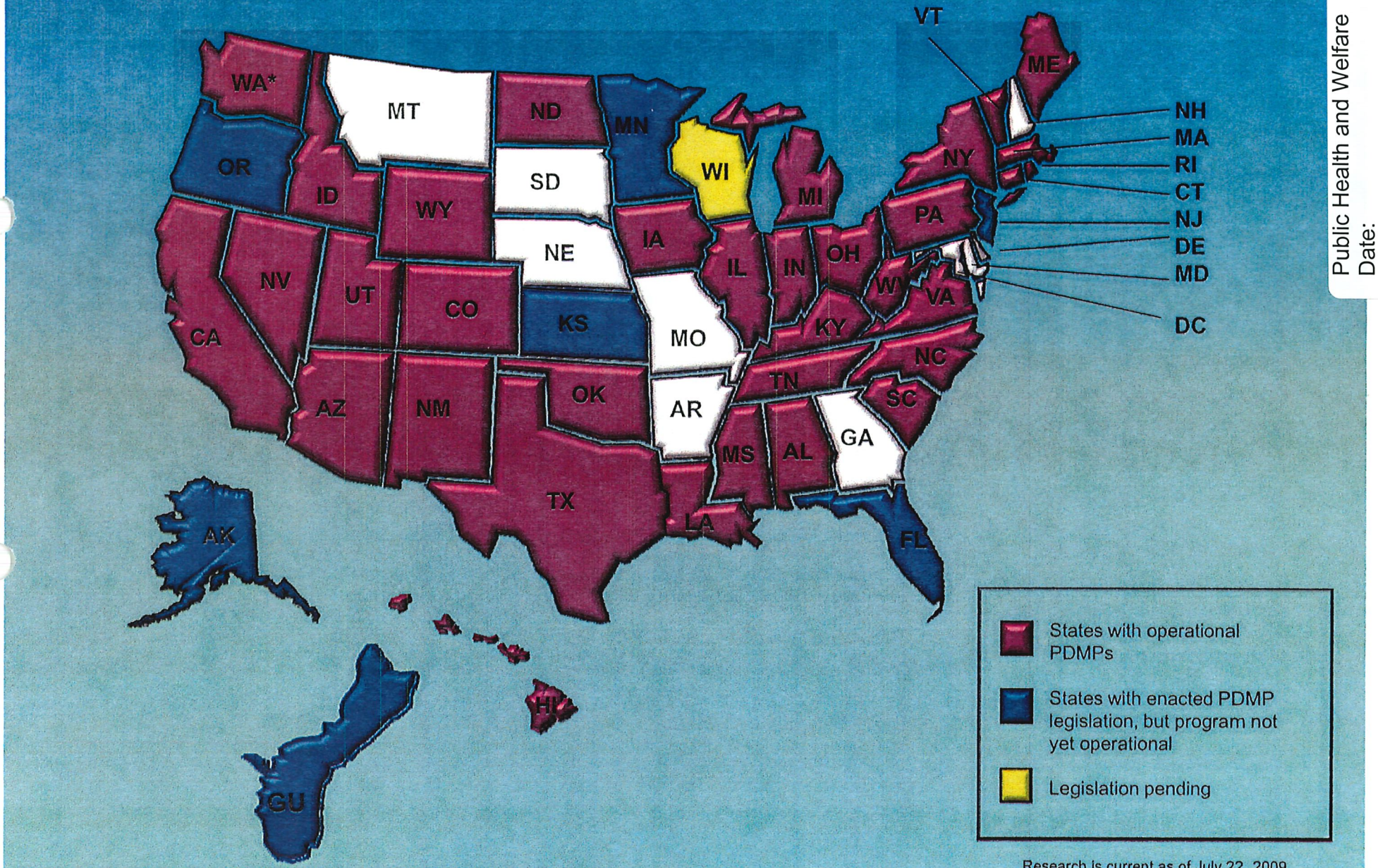
- Implementation of fully automated prior authorization system will allow Medicaid to better monitor, control, and limit the use of controlled substances at the point of sale.

- Kansas Prescription Drug Monitoring Program which is grant funded is aimed at finding mechanisms to prevent fraud, abuse, and diversion of controlled substances.

- KHPA is developing a new point of sale edit to reinforce current dosage limitations on use of large quantities of OxyContin and other controlled substances.

- Continued drug education for health care professionals

Status of Prescription Drug Monitoring Programs (PDMPs)



*Washington has temporarily suspended its PMP operations due to budgetary constraints.

Research is current as of July 22, 2009

Alliance of States with