



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES



ACA Preventive Medications & Services

Board of Trustees

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Updated to Include Segal Financial Impact Analysis

A Division of the Department of State Treasurer

Presentation Overview

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Federal Preventive Care Updates

1. Medications for Risk Reduction of Primary Breast Cancer

In January 2014, a U.S. Department of Labor FAQ was released updating guidance concerning coverage of breast cancer preventive medications. The US Preventive Services Task Force (USPSTF) recommends providers offer to prescribe risk-reducing medications for women who are at increased risk for breast cancer and low risk for adverse side effects (i.e. “Category B” recommendation). Non-grandfathered plans must cover these medications at \$0 cost share to the member beginning in January 2015.

2. Smoking and Tobacco Cessation Therapies

Recently, the US Departments of Labor (DOL), Health and Human Services (HHS), and Treasury jointly provided additional guidance via an FAQ to assist stakeholders in understanding, implementing and complying with the USPSTF recommendations to provide preventive coverage for tobacco cessation interventions.

Affordable Care Act (ACA) Compliance

- The Consumer-Directed Health Plan (CDHP) is a non-grandfathered plan and must comply with all ACA preventive service requirements
- The Enhanced 80/20 and Traditional 70/30 PPOs are grandfathered plans and therefore do not have to comply with all ACA preventive service requirements
 - The Board previously approved coverage of ACA preventive services at \$0 member cost share under the Enhanced 80/20 Plan

Current ACA Preventive Medication List

Effective January 1, 2014, medications in the categories listed below are available at no member cost share, subject to specific age and gender requirements of the ACA, for members enrolled in the Enhanced 80/20 Plan and CDHP. All medications require a prescription.

Drug or Drug Category	Criteria
Aspirin (to prevent cardiovascular events) – Generic OTC 81 mg and 325mg	Men ages 45 to 79 years and women ages 55 to 79 years
Fluoride – Generic OTC and prescription products	Children older than 6 months of age through 5 years old
Folic Acid – Generic OTC and prescription products 0.4 – 0.8 mg	Women through age 50 years
Iron Supplements – Generic OTC and prescriptions products	Children ages 6 to 12 months who are at risk for iron deficiency anemia
Smoking/Tobacco Cessation – Generic OTC patches and gum	Members ages ≥ 18 who enroll in the QuitlineNC multi-call program and do not have a have a medical exclusion
Vitamin D – Generic OTC and prescription products	Men and Women ages ≥ 65 who are at increased risk for falls
Women's Preventive Services & contraception coverage <ul style="list-style-type: none"> 1) Barrier contraception – i.e. caps, diaphragms 2) Hormonal contraception (generic and select brands) - oral, transdermal, intravaginal, injectable 3) Emergency contraception 4) Implantable medications 5) Intrauterine contraception 6) OTC contraceptives (with a prescription) 	Women through age 50
Bowel preparation for colonoscopy screening	Men and women ages 49 to 76 years Generic and brand prescription and OTC preparations Two prescriptions per year

Proposed Primary Breast Cancer Preventive Medication Coverage

Medications Eligible for \$0 Member Cost Share:

- Generic tamoxifen
- Generic raloxifene
- Brand Soltamox (tamoxifen liquid)
 - Tamoxifen liquid will be covered at \$0 member cost share if the prescriber provides information that the patient meets all other criteria and cannot swallow or has difficulty swallowing tamoxifen tablets

Other Coverage Requirements:

- Coverage is subject to specific age and gender recommendations issued by the USPSTF as required by the ACA
- Prescription required

Primary Breast Cancer Preventive Coverage Review Criteria

- Women ≥ 35 years of age who:
 - do **not** have a prior history of a diagnosis of breast cancer, ductal carcinoma in situ (DCIS), or lobular carcinoma in situ (LCIS),
 - are being prescribed tamoxifen or raloxifene for the purpose of primary prevention of invasive breast cancer because the patient is deemed high risk,
 - are post-menopausal, if prescribed raloxifene (this does not apply to a woman prescribed tamoxifen).
- Providers must request a “copay review process” for coverage of medications at \$0 member cost share
 - Similar to prior authorization to ensure the medication is for prevention

Cost of Primary Breast Cancer Preventive Medication Coverage

Pharmacy Cost PMPM Estimates for \$0 coverage*

Estimates of Utilizing Members	Estimated Total Gross Rx Cost PMPM Impact
Estimate of eligible women for \$0 cost share based on current estimates at ESI (<0.1% of women 35 years of age or greater)	<\$0.01
Estimate if current eligible women for \$0 becomes 1%	\$0.04
Estimate if cost share for all current utilizers in ESI BOB was \$0	\$0.05
Estimate if all eligible women for chemoprevention were covered at \$0 cost-share (15.5% ³)	\$2.40

* Express Scripts cost estimates based on book of business claims data. The Segal Company is reviewing the cost estimates.

Primary Breast Cancer Preventive Medication Coverage

Plan staff recommends adding Primary Breast Cancer Preventive Medication Coverage outlined on slide 6 as part of the Plan's ACA preventive medication coverage for the CDHP and Enhanced 80/20 benefit options, effective January 1, 2015.

Guidance on USPSTF Tobacco Cessation Interventions

The Departments (DOL, HHS, Treasury) will consider a group health plan to be in compliance with the requirement to cover tobacco use counseling and interventions, if, for example, the plan covers without cost-sharing:

- Screening for tobacco use; and,
- For those who use tobacco products, at least two tobacco cessation attempts per year. For this purpose, covering a cessation attempt includes coverage for:
 - Four tobacco cessation counseling sessions of at least 10 minutes each (including telephone counseling, group counseling and individual counseling) without prior authorization; and
 - All Food and Drug Administration (FDA)-approved tobacco cessation medications (including both prescription and over-the-counter medications) for a 90-day treatment regimen when prescribed by a health care provider without prior authorization.

Current QuitlineNC Coverage, Programs & Supports

Coverage:

- **Quit Attempts** – 2 per Plan year
- **Tobacco Cessation Counseling** – 4 sessions with a Quit Coach over the phone per multi-call enrollment
- **Nicotine Replacement Therapy (NRT)** – 60 day supply of patches, gum, or combination therapy available to members enrolled in the multi-call program with option to re-enroll once per Plan year.

Cessation Programs:

- **Initial Intake Call** – information about the program & benefits of quitting.
- **One Call Program** – discuss motivation to quit & reluctance to set a quit date. Members receive a 90 day follow-up call.
- **Multi-Call Program** – 4 phone-based coaching sessions for members ready to quit within 30 days of initial intake call.

Additional Supports:

- **Quit Coach**® – unlimited one-on-one support by telephone (24 hours/day, 7 days/week)
- **Web Coaching** – access to progress trackers, exercises, information and social support at www.QuitlineNC.com
- **Quit Kit** – self-help manual and printed educational materials
- Referrals to NC HealthSmart program services

Current QuitlineNC NRT Options

- All NRT options are free for members enrolled in the multi-call program
- NRTs are sent in two, 30 day shipments
- Eligible members may re-enroll in multi-call program to receive up to two 60-day NRT courses per Plan year

Quitline NRT Option	Shipment #1 4 weeks	Shipment #2 4 weeks
Patches only Habitrol (generic) 7, 14, 21 mg	\$48 for 28 patches	\$48 for 28 patches
Gum only Generic 2 mg, 4 mg (110 pieces per box)	\$90 for 3 boxes (330 pieces)	\$30 for 1 box (110 pieces)
Combo NRT (patch + gum)	\$108 for 28 patches + 1 box of gum	\$48 for 28 patches (no gum)

Proposed Changes to Tobacco Cessation Coverage

QuitlineNC Services

CDHP, Enhanced 80/20 and Traditional 70/30 Plans:

- Extend each QuitlineNC treatment time period to 90 days of therapy and counseling
- Add lozenges to the QuitlineNC nicotine replacement therapy offering

Tobacco Cessation Medications

CDHP and Enhanced 80/20 Plans:

- Add coverage of prescription generic bupropion sustained-release 150mg and brand varenicline (Chantix®) to ACA preventive medication coverage
- Limit Chantix coverage to a 6 month supply in a 12 month period
- Limit \$0 member cost share for all tobacco cessation products (prescription and OTC) to members \geq 18 years of age

Cost of Expanded Tobacco Cessation Coverage

- Adding nicotine replacement lozenges to the QuitlineNC offering is estimated to cost an additional \$16,728 per year.*
- Using Express Scripts book of business claims data, the impact on pharmacy costs for covering generic bupropion is <\$0.01 PMPM and approximately \$0.10 PMPM for the coverage of brand Chantix.^

* Cost estimate based on 1% QuitlineNC utilization

^ Cost estimates are being reviewed by The Segal Company

Preventive Tobacco Cessation Coverage

Plan staff recommends expanding
Preventive Tobacco Cessation Coverage
as outlined on slide 13, effective January 1, 2015.

Segal Financial Impact Analysis

Costs of Additional ACA Preventive Medications

	CY 2015	CY 2016	CY 2017	CY 2018
Risk Reduction of Breast Cancer	\$124,000	\$229,000	\$246,000	\$263,000
Smoking Cessation	\$568,000	\$1,047,000	\$1,120,000	\$1,199,000
Total	\$692,000	\$1,276,000	\$1,366,000	\$1,462,000

Notes

- Assumes 100% coverage of the new medications begins January 2015 for members in the CDHP and Enhanced 80/20 Plans
- Consistent with current forecast assumptions, assumes 100% coverage of preventive services is extended to the Traditional 70/30 Plan beginning January 2016, but this benefit change is still *subject to Board approval*
- Cost estimates may change depending on annual trend assumption