
North Dakota Medicaid Pharmacy Program Quarterly News

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Fall 2006

Welcome to the Fall 2006 edition of the “North Dakota Medicaid Pharmacy Program Quarterly News”, a pharmacy newsletter presented by the North Dakota Department of Human Services and published by Health Information Designs, Inc. This newsletter is published as part of a continuing effort to keep the Medicaid provider community informed of important changes in the North Dakota Medicaid Pharmacy Program.

The North Dakota Department of Human Services has contracted with Health Information Designs, Inc. (HID) to review and process prior authorizations (PAs) for medications. For a current list of medications requiring a PA, as well as the necessary forms and criteria, go to www.hidndmedicaid.com, or call HID at (866) 773-0695 to have this information faxed. A new feature on the website is the NDC Drug Lookup. This will allow you to determine if an NDC is covered (effective date), price allowed and MAC pricing, copay information, and any limitations (prior authorization or quantity limits).

The Fall 2006 newsletter provides a history of pharmacy services, impact of Part D and a list of the top classes of medications that make up almost 70% of North Dakota Medicaid’s drug spend.

The North Dakota Pharmacy Program team appreciates your comments and suggestions regarding this newsletter. To suggest topics for inclusion, or to make comments, please contact Health Information Designs, Inc. at (334) 502-3262 or toll free at 1-800-225-6998, or email us at info@hidinc.com.



Helpful Numbers

PA Help Desk 866-773-0695
To fax PAs 866-254-0761
To report adverse 800-FDA-1088
reactions (via Med Watch)

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Visit HID’s North Dakota Department of Human Services Prior Authorization Webpage, www.hidndmedicaid.com.

Medicaid Pharmacy Services

Pharmacy services are an optional service for Medicaid, yet every state covers medications because of their cost effectiveness. The 'optional' designation was assigned at the beginning of the program, when medications were not as advanced as they are today.

Federal law requires that if a state includes pharmacy services, then the state must provide coverage to all medications of manufacturers that participate in the drug rebate program, unless the state forgoes those rebates. The only time that states forgo the rebates are within managed care contracts, and many of those now "carve out" psych medications (the managed care company doesn't include psych drugs as part of the package – the state must pay for the psych meds within the drug rebate program parameters).

ND Pharmacy Services History

North Dakota has seen tremendous growth in pharmacy services since 1997. Program improvements made in 2002 and beyond slowed the growth in the average cost of prescriptions. These improvements included a variety of new edits and new pricing for generic drugs in 2002 and 2003 as well as implementation of prior authorization in 2004.

Year	# of Rx's/Patient/Month	Avg Cost/Rx	# Patients Filling Rx's/Month
1997	3.9	\$32.13	17,110
1998	4.025	\$35.57	16,923
1999	4.15	\$39.28	17,555
2000	4.33	\$43.57	17,839
2001	4.4	\$47.01	18,889
2002	4.34	\$50.64	21,039
2003	4.18	\$52.74	21,841
2004	4.36	\$55.58	21,224
2005	4.44	\$57.20	21,722

Pharmacy Services 2006 and beyond

With the advent of Part D and the transition of Medicare eligibles to pharmacy services outside of Medicaid, the changes are tremendous. Monthly spend went from an average of \$5.2 million per month to \$2.3 million per month thus far. The number of recipients receiving prescriptions in a month decreased from 23,000 to 17,600.

The average age of a pharmacy recipient dropped from the mid 40's to the lower 20's, which is reflected in our top medications, with ADHD, antibiotics, and asthma meds moving in to the top 10. Over 40% of our total drug spend is from the top four drug classes and these classes are psych related. The top products in the anticonvulsant and antidepressant class of medications have recently gone generic. We hope that this provides some savings, as we are not allowed to manage these classes otherwise.

Drug Class	Amt Paid	% Spend	Cumulative % Spend
Antipsychotics	\$ 336,221.89	14.5%	14.5%
Anticonvulsants	\$ 246,596.94	10.7%	25.2%
Antidepressants	\$ 183,804.50	7.9%	33.1%
ADHD	\$ 175,227.83	7.6%	40.7%
Antibiotics	\$ 154,581.90	6.7%	47.4%
Asthma	\$ 145,945.55	6.3%	53.7%
Narcotics	\$ 75,313.64	3.3%	57.0%
Diabetes	\$ 65,835.13	2.8%	59.8%
Cholesterol	\$ 47,942.32	2.1%	61.9%
PPI's	\$ 43,315.67	1.9%	63.7%
Hypertension	\$ 42,475.15	1.8%	65.6%
Sleeping pills	\$ 38,057.29	1.6%	67.2%
Birth Control	\$ 36,433.20	1.6%	68.8%



Health Information Designs, Inc. (HID) is the most experienced and qualified provider of drug utilization review and pharmacy benefit management services in the country. We specialize in helping our clients promote clinically appropriate and cost effective prescribing, dispensing, and utilization of prescription drugs.

For 29 years, HID has worked to improve the quality and cost effectiveness of health care through clinically rational use of prescription medication. Our clients include public and private health care plans throughout the U.S. with a combined total of over 11 million covered lives.

Health Information Designs, Inc. was founded in 1976 and is incorporated as a C Corporation in the State of Delaware. HID's initial mission was to market drug utilization review (DUR) services nationally and since its founding, has provided DUR services for clients in approximately two-thirds of the United States. HID is headquartered in Auburn, Alabama, with regional offices in Arkansas, Maryland, and Mississippi.

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