SECTION 1: FEE FOR SERVICE (FFS) PHARMACY BENEFIT MANAGEMENT

1. Use of Pharmacy Benefit Managers (PBMs) or Other Vendors. As of July 1, 2019, does your state contract with a PBM and/or other vendors to administer the FFS pharmacy benefit? <choose one>

2. If “yes” to question 1, please name the vendor(s) here: ________________________________

3. PBM Services. If “yes” to question 1, please indicate in the table below the services provided through a PBM or other vendor as of July 1, 2019:

<table>
<thead>
<tr>
<th>Pharmacy Administration Services (Check all that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. ☐ Claims payment</td>
</tr>
<tr>
<td>c. ☐ Drug Utilization Review (DUR)</td>
</tr>
<tr>
<td>e. ☐ Rebate reporting processes and dispute resolution</td>
</tr>
<tr>
<td>g. ☐ Fraud, waste and abuse</td>
</tr>
<tr>
<td>i. ☐ Other</td>
</tr>
</tbody>
</table>

4. FY 2020 Changes. Are changes planned to the vendor arrangements described in questions 1-3? <choose one>
   a. If “yes,” please briefly describe: ____________________________

5. FFS Limited Networks
   a. Do you have a limited FFS pharmacy network in place as of July 1, 2019? (Please note: a manufacturer-determined limited distribution channel is not a limited network for purposes of this question.) <choose one>
   b. If “yes” to a, how are pharmacies selected? <choose one>
      i. If “other,” please briefly describe: ____________________________
   c. Please describe any limited network changes planned for FY 2020: ____________________________

Comments on Section 1:

SECTION 2: MANAGED CARE’S ROLE IN ADMINISTERING OUTPATIENT PRESCRIPTION DRUGS

(Skip if your state does not have Comprehensive Capitated Medicaid MCOs)

1. MCO Pharmacy Coverage
   a. If your state uses comprehensive capitated managed care organizations (MCOs) to deliver acute care benefits, are pharmacy benefits covered under your MCO contracts as of July 1, 2019? <choose one>
   b. If “other” to a, please briefly describe: ____________________________
   c. Does your state plan to add or remove pharmacy as an MCO covered benefit in FY 2020? <choose one>
   d. Comments on planned changes for FY 2020: ____________________________

(Skip to Section 3 if pharmacy benefits are carved out of the state’s MCO arrangements.)

2. MCO Subcontracts with PBMs.
   a. As of July 1, 2019, are spread pricing arrangements in MCO subcontracts with PBMs prohibited? <choose one>
   b. For FY 2020, are MCOs subject to other PBM transparency requirements (such as an annual reporting requirement to the legislature or your state Medicaid agency)? <choose one>
      i. If “yes,” please briefly describe: ____________________________
   c. Does your state impose any restrictions on an MCO’s ability to subcontract with a PBM? <choose one>
      i. If “yes,” please briefly describe: ____________________________
   d. Comments on planned changes to PBM subcontract requirements for FY 2020: ____________________________

3. Product or Classes Carved-out
   a. If pharmacy is a MCO covered benefit, please indicate if any of the drug groups/classes listed in the table below are carved out as of July 1, 2019:

<table>
<thead>
<tr>
<th>Selected MCO Pharmacy Carve-outs (Check all that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. ☐ Hemophilia factor</td>
</tr>
<tr>
<td>c. ☐ HIV/AIDS antiretrovirals</td>
</tr>
<tr>
<td>e. ☐ Medication Assisted Therapy (MAT) drugs</td>
</tr>
</tbody>
</table>

   b. Please list or briefly describe any other drug products or classes carved-out as of July 1, 2019 and/or any comments regarding the carve-outs identified in the table above: ____________________________
   c. Are additional drug carve-outs or reversals of drug carve-outs planned for FY 2020? <choose one>
   d. Comments on planned changes for FY 2020: ____________________________

4. MCO Preferred Drug Lists (PDLs) and Supplemental Rebates
a. As of July 1, 2019, are MCOs required to use a uniform PDL for all or some drug classes? <choose one>
b. Does your state plan to establish, expand, or remove a uniform PDL requirement in FY 2020? <choose one>
c. Comments on planned changes for FY 2020: _____________________________________________________________
d. As of July 1, 2019, are MCOs or their contracted PBMs permitted to negotiate supplemental rebates for uniform PDL classes and/or other drugs on their own formularies? <choose one>
   i. If “yes,” does the state require a contracted PBM to pass-through supplemental rebate collections to the MCO? <choose one>
   ii. If “yes,” are MCOs required to report aggregate supplemental rebate collections to the state Medicaid agency? <choose one>

5. Uniform Clinical Protocols
a. As of July 1, 2019, does your state require MCOs to adhere to uniform clinical protocols for one or more drugs or drug classes? <choose one>
b. Does your state plan to impose a new uniform clinical protocol requirement in FY 2020? <choose one>
c. Does your state plan to remove a uniform clinical protocol requirement in FY 2020? <choose one>
d. Comments on planned changes for FY 2020: _____________________________________________________________

6. Risk Mitigation. In the table below, please indicate any pharmacy financial risk mitigation strategies for MCOs in place as of July 1, 2019 for one or more drugs, or check the box in line “g” if none:

<table>
<thead>
<tr>
<th>Pharmacy Financial Risk Mitigation Strategies (Check all that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Reinsurance</td>
</tr>
<tr>
<td>d. Kick payments</td>
</tr>
<tr>
<td>g. No risk mitigation strategies</td>
</tr>
</tbody>
</table>

   h. Please briefly list or describe the drugs or classes subject to financial risk mitigation strategies, if any: 

   i. Please describe any risk mitigation changes planned for FY 2020: _____________________________________________________________

7. MCO Dispensing Fees
a. As of July 1, 2019, does your state require MCOs to pay a minimum dispensing fee? <choose one>
b. If “yes,” please describe: _____________________________________________________________
c. Does your state plan to change a minimum dispensing fee requirement in FY 2020? <choose one>
d. Comments on planned changes for FY 2020: _____________________________________________________________

SECTION 3: DRUG UTILIZATION REVIEW (DUR) BOARD AND PHARMACY AND THERAPEUTICS (P&T) COMMITTEE

1. Conflict of Interest. As of July 1, 2019, is there a Conflict of Interest policy in place for:
   a. The DUR Board? <choose one>
   b. The P&T Committee? <choose one>

2. Roles and Responsibilities. Please indicate the entity responsible for:
   a. Review of new drugs for PDL placement: <choose one>
   b. Developing step therapy criteria: <choose one>
   c. Developing prior authorization (PA) criteria: <choose one>
   d. Review of orphan/expedited review drugs: <choose one>
   e. If “other” to a, b, c, or d, please specify: _____________________________________________________________

3. Initial Coverage Decisions.
   a. Are new drugs subject to prior authorization before undergoing initial review by the DUR Board and/or P&T Committee? <choose one>
      i. If “yes – sometimes,” please briefly describe under what circumstances, in general, PA is required: _____________________________________________________________
   b. Do you incorporate comparative effectiveness review information in your coverage reviews? <choose one>
      i. If “yes,” please briefly describe information sources (e.g., ICER, DERP, etc.): _____________________________________________________________

4. Ongoing Reviews. How often are the following reviewed by the DUR Board and/or P&T Committee? <choose one>
   a. PDL
   b. Step therapy criteria
5. **Biosimilars.** Do biosimilars go through the same DUR Board and/or P&T Committee initial and ongoing review processes as the original biologic?  
   a. If “no,” please briefly describe how the processes differ:  

6. **Managed Care Organization (MCO) Oversight.** Does the DUR Board, P&T Committee, or other state entity review and approve MCOs’:
   a. PDLs/PDL changes  
   b. Step therapy criteria  
   c. PA or utilization management criteria

Comments on Section 3: __________________________

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**SECTION 4: DRUG UTILIZATION CONTROLS**

1. **Pharmacy Copays for Non-exempt Adults.**
   a. Does your state require FFS pharmacy copayments for adults as of July 1, 2019?  
   b. If “yes” to a, does your state decrease pharmacy reimbursement by the copayment amount?  
   c. If “yes” to a, please describe the pharmacy copayment requirements as of July 1, 2019, including any brand/generic differences, for:
      i. Non-expansion adults:  
      ii. Expansion adults, if applicable:  
   d. If “yes” to a, do MCO copayment requirements differ from those described in b?  
      i. If “yes,” please briefly explain the differences:  
   e. Please describe any copayment changes planned for FY 2020: __________________________

2. **Prior Authorization (PA) and Step Therapy.**
   a. Some states have enacted statutory utilization management prohibitions on selected drug classes (e.g., drugs that treat a mental health diagnosis, HIV, etc.). As of July 1, 2019, are there any statutory limits on the Medicaid agency’s ability to subject any drug or drug class in the FFS pharmacy benefit to utilization controls such as prior authorization or step therapy requirements?  
   b. If “yes” to a:
      i. Please briefly describe the statutory limitation: __________________________  
      ii. Is the limitation also applicable to MCOs?  
   c. Please describe any statutory changes that will take effect in FY 2020 limiting the state’s PA and/or step therapy authority: __________________________
   d. Compared to FFS policies, are MCOs’ PA or Step Therapy policies permitted to be more restrictive or required to be the same, no more restrictive, or no less restrictive?  
      i. If “other,” please briefly explain the state’s policy: __________________________

3. **Prescription Limits.**
   a. As of July 1, 2019, does your state apply a monthly or other limit on the number of FFS prescriptions an enrollee may receive?  
      i. Please describe the limit (including if varies by eligibility group): __________________________  
      ii. Can the limit be overridden using PA or other appeals process?  
      iii. Are any drugs/classes or individuals exempted from the limit?  
      A. If “yes,” briefly describe the drugs/classes or individuals exempted: __________________________  
      iv. Are MCOs required to apply the same prescription limit(s) and PA/appeals process and exemptions?  
      A. If “yes, in part,” please briefly describe the differences: __________________________
   b. Please describe any prescription limit changes planned for FY 2020: __________________________

4. **Medication Therapy Management (MTM).**
   a. As of July 1, 2019, does your state pay pharmacists to provide MTM in FFS?  
      i. Which conditions are addressed by the MTM program?  
      ii. Are MCOs required to cover the same MTM services?
A. If “yes in part,” please briefly describe the differences: ____________________________

b. Please describe any MTM policy changes planned for FY 2020: ____________________________

Comments on Section 4: ____________________________

SECTION 5: STATE POLICIES FOR SELECTED DRUGS/DRUG CLASSES

1. Preparing for Emerging Gene and Cell Therapies. Please describe any initiatives or planning efforts currently underway or planned that address future coverage of new gene and cell therapies (including CAR T-cell therapy):

2. HIV PrEP (Pre-Exposure Prophylaxis). As of July 1, 2019, does your state require prior authorization (PA) for the prescription of Truvada as Pre-Exposure Prophylaxis for persons at high risk of HIV infection? <choose one>

3. Post-Rebate FY 2020 Expenditure Growth / Policies for Certain Drugs. Some drugs have received considerable media and/or policy attention over the last year. Use the dropdown boxes in the table below to indicate whether, in SFY 2020, expenditures after rebates for the indicated drug class (for FFS and, if known, MCO prescriptions) are expected to grow faster, slower, or about the same as the growth in overall pharmacy expenditures after rebates. Use the comment field to briefly describe any utilization controls.

<table>
<thead>
<tr>
<th>Drug or Drug Class</th>
<th>FFS: Growing Faster, Slower, or About the Same?</th>
<th>MCO: Growing Faster, Slower, or About the Same?</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Insulin</td>
<td>&lt;choose one&gt;</td>
<td>&lt;choose one&gt;</td>
<td></td>
</tr>
<tr>
<td>b. HIV Antiretrovirals</td>
<td>&lt;choose one&gt;</td>
<td>&lt;choose one&gt;</td>
<td></td>
</tr>
<tr>
<td>c. Hepatitis C Antivirals</td>
<td>&lt;choose one&gt;</td>
<td>&lt;choose one&gt;</td>
<td></td>
</tr>
<tr>
<td>d. SUD Treatment drugs</td>
<td>&lt;choose one&gt;</td>
<td>&lt;choose one&gt;</td>
<td></td>
</tr>
</tbody>
</table>

Comments on Section 5: ____________________________

SECTION 6: POLICY LEVERS TO CONTROL PRESCRIPTION DRUG COSTS

1. PDLs and Purchasing Pools. As of July 1, 2019:
   a. Does your state have a PDL in place for FFS prescriptions? <choose one>
   b. Does your state participate in an interstate purchasing pool? <choose one>
      i. If “yes – other,” please indicate pool name: ____________________________
   c. Does the Medicaid program in your state participate in an intrastate purchasing pool? <choose one>
      i. If “yes,” please briefly describe: ____________________________
   d. Please describe any purchasing pool changes or material PDL changes planned for FY 2020: ____________________________

2. Supplemental Rebates.
   a. As of July 1, 2019, does your state have supplemental rebate agreements in place for preferred agents? <choose one>
      i. Who negotiates the supplemental rebates? <choose one>
      ii. Was the state’s negotiator selected through a competitive procurement? <choose one>
   b. Please describe any Supplemental Rebate administration changes planned for FY 2020: ____________________________
   c. Compared to FY 2019, do you expect FY 2020 FFS supplemental rebate collections as a percentage of total pharmacy expenditures to be higher, lower or about the same? <choose one>
      i. If “higher” or “lower,” please describe the primary factors driving a higher or lower projected rebate percentage: ____________________________

3. Value Based Arrangement (VBA)
   a. As of July 1, 2019, does your state have a VBA in place with one or more drug manufacturers? <choose one>
      i. If “yes” to a, what drugs/drug classes are included under the VBA(s)?
      ii. If “yes” to a, please indicate the type of arrangement: <choose one>
         A. If “other or multiple models,” please briefly describe: ____________________________
      iii. If “yes” to a, does the VBA arrangement(s) apply to MCOs? <choose one>
   b. If your state plans to implement a new VBA arrangement in 2020, please briefly describe: ____________________________
c. Please briefly describe any barriers or challenges to negotiating or implementing a VBA: ____________________

4. **Generic Drug Policies.** As of July 1, 2019:
   a. In the table below, indicate the policies or tools used to promote generic drug utilization or check the viii box if no policies or tools are in place:

<table>
<thead>
<tr>
<th>Tools to Promote Generic Drug Utilization (Check all that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. □ Mandatory generics</td>
</tr>
<tr>
<td>ii. □ Lower copays for generics</td>
</tr>
<tr>
<td>iii. □ Higher POS dispensing fee for generic substitution</td>
</tr>
<tr>
<td>iv. □ Tiered dispensing fee based on pharmacy’s generic drug utilization rate</td>
</tr>
<tr>
<td>v. □ Provider education</td>
</tr>
<tr>
<td>vi. □ Other</td>
</tr>
<tr>
<td>vii. □ No policies or tools</td>
</tr>
</tbody>
</table>

   b. Are MCOs required to follow the state’s FFS generic drug policies? <choose one>
      i. If “yes, in part,” please briefly describe the differences:
   c. Does your state allow or require biosimilar substitution? <choose one>
   d. Please describe any generic drug policy changes planned for FY 2020: ____________________

5. **Drugs Paid Through the Medical Benefit.** As of July 1, 2019:
   a. What policies or tools, if any, does your state have to redirect drugs to the lowest cost benefit (i.e. medical versus pharmacy)? <choose one>
      i. If “other policies or tools,” please specify:
   b. What policies, if any, does your state have in place to assure that hospital and physician administered drugs are billed using the lowest cost site of care? <choose one>
      i. If “other policies,” please briefly describe:
   c. Please describe any changes planned for FY 2020: ____________________

6. **340B.** As of July 1, 2019:
   a. Does your state allow 340B covered entities to carve 340B into Medicaid FFS? <choose one>
   b. Does your state allow 340B covered entities to carve 340B into Medicaid managed care? <choose one>
   c. Does your state have a separate dispensing fee for 340B covered entities? <choose one>
   d. Does your state require MCOs to pay FFS reimbursement to 340B Covered Entities? <choose one>
   e. Does your state permit 340B covered entities to contract with outside pharmacies (contract pharmacies) for FFS? <choose one>
   f. Does your state permit 340B covered entities to contract with outside pharmacies (contract pharmacies) for managed care? <choose one>
   g. Does your state experience significant duplicate discount issues with 340B drugs? <choose one>
   h. In the table below, indicate the tools used to mitigate duplicate discounts or check the box on line “g” if no tools used:

<table>
<thead>
<tr>
<th>340B: Tools to Mitigate Duplicate Discounts (Check all that apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. □ Carve-out</td>
</tr>
<tr>
<td>b. □ Medicaid Exclusion File (MEF)</td>
</tr>
<tr>
<td>c. □ NCPDP field values</td>
</tr>
<tr>
<td>d. □ Prohibition on contract pharmacies</td>
</tr>
<tr>
<td>e. □ Oversight requirements</td>
</tr>
<tr>
<td>f. □ Other</td>
</tr>
<tr>
<td>g. □ No tools used to mitigate duplicate discounts</td>
</tr>
</tbody>
</table>

   Comments on Section 6: __________________________________________

**SECTION 7: FUTURE OUTLOOK**

1. **Proposed Rebate Reform Rule.** What do you see as the top challenges, opportunities, and/or state budget implications for your state related to the proposed federal rule excluding managed care pharmacy rebates from the Anti-Kickback Statute discount safe harbor? ________________

2. **CMS MLR Bulletin.** What challenges or fiscal implications, if any, are expected related to compliance with the recent CMS bulletin regarding PBM pricing policies and the Medical Loss Ratio (MLR) calculation? ________________

3. **Other federal reforms.** What other policy proposals under consideration at the federal level do you believe would have the largest impact on your Medicaid pharmacy program? In what way do you believe they will affect your state? ________________

4. **Conclusions/Outlook.** What do you see as the top priorities for your state’s Medicaid pharmacy program over the next year or so? ________________