



GEORGIA DEPARTMENT
OF COMMUNITY HEALTH

Hepatitis C Overview

Medicaid and SHBP



Presented to:

Joint Appropriations Community Health Subcommittee

Presented by:

Linda K. Wiant, Pharm.D.
Chief, Medical Assistance Plans
August 11, 2015

Lori Garner, R.PH.
DCH Pharmacist, SHBP



Mission

The Georgia Department of Community Health

We will provide Georgians with access to affordable, quality health care through effective planning, purchasing and oversight.

We are dedicated to A Healthy Georgia.

Agenda

- Hepatitis C Historical Context
- Hepatitis C Financial Impact
- Prior Authorization

Hepatitis C Historical Context

- First agents impacted Medicaid budget 3Q2011
- Significant issues with adherence
- New CDC recommendations for screening
- Sovaldi arrived in 2014 (approved December, 2013)
- Harvoni supplanted it in late 2014 (approved October, 2014)



Hepatitis C Historical Context

- Patient Population Estimates

Year	FFS	CMO	Both
SFY 2013*	3852	828	
Apr 2013-Mar 2014	4396	635	55
Apr 2014-Mar 2015	4877	641	70

- Treatment

- 1074 Total FFS members treated
- 81 (7.5%) received multiple therapies

Hepatitis C Treatment Impact: Patients

- Therapy Completion Rates

Drug Treatment	Patients*	Treatment Completed	Treatment NOT Completed
Victrelis	126	51	75
Incivek	100	57	43
Sovaldi	372	329	43
Olysio	98	87	11
Harvoni	551	524	27
Viekira Pak	4	N/A	N/A

Drug Name	Victrelis	Incivek	Sovaldi	Olysio	Harvoni	Viekira Pak
% Therapy Completion	40.5%	57.0%	88.4%	88.8%	95.1%	Not analyzed

*excludes patients who had not had an opportunity to complete therapy



Hepatitis C Treatment Impact: Drug Spend

- Retail Drug Spend
- Since 2011

Drug	Patients	Rx Count	Amount Paid
VICTRELIS	126	620	\$3,139,330
INCIVEK	100	235	\$4,712,202
SOVALDI	386	1,281	\$36,174,379
OLYSIO	98	279	\$6,176,553
HARVONI	605	1,647	\$50,972,051
VIEKIRA PAK	6	18	\$492,759
Total*	1143	4,080	\$101,667,276

*total utilizers are unique overall and do not equal the sum of utilizers for each drug



Hepatitis C Treatment Impact: Drug Spend

- 2015 Spend
 - #1 drug is Harvoni
 - Average cost/Rx (retail): \$30,953.13
 - 11.3% of retail drug spend

Month	Rank	Drug Name	Amount Paid	% of Total	Rx Count	Avg Cost per Rx	Count of Patients
Jan-15	1/1	HARVONI	\$5,085,267.27	8.85%	162	\$31,390.54	142
Feb-15	1/1	HARVONI	\$6,458,676.06	11.41%	204	\$31,660.18	183
Mar-15	1/1	HARVONI	\$8,924,062.95	14.05%	281	\$31,758.23	231
Apr-15	1/1	HARVONI	\$7,805,382.77	12.59%	252	\$30,973.74	213
May-15	1/1	HARVONI	\$5,891,604.05	10.30%	196	\$30,059.20	178
Jun-15	1/1	HARVONI	\$6,631,236.12	10.77%	223	\$29,736.48	188
			\$40,796,229.22	11.33%	1,318		

Hepatitis C Treatment Impact: Rebate Impact

- Rebate impact since 2012
- Rebates are billed and collected quarterly

	Pharmacy Reimbursement	OBRA	SR	Net Cost (Reimbursement minus OBRA minus SR)
2011	\$1,438,823.38	\$597,074.23	\$259,682.22	\$698,679.97
2012	\$6,089,773.67	\$2,600,860.08	\$876,059.22	\$3,196,454.78
2013	\$4,662,412.20	\$2,178,741.79	\$800,697.10	\$2,303,717.39
2014	\$43,525,337.12	\$10,665,589.50	\$828,515.80	\$37,045,591.10
2015*	\$22,497,043.24	\$10,434,910.82	\$1,263,166.59	\$12,122,416.89

- *2015 is 1st quarter only

Medicaid Budget Impact: AFY2016 and FY2017 Projected

- Projecting 439 new patients for SFY 2016
- Average Retail Cost of Drug - Per Member Per Month
 - Harvoni \$34,613
 - Sovaldi \$31,210
 - Viekira Pak \$30,642
- AFY 2016 Projections: (includes 6 month lag on receipt of rebates)

Total Funds	\$79,951,512
State Funds	\$23,129,866
- Projected cost includes both new patients and existing patients currently on treatment.
- Projected budget impact continuing in FY 2017



Prior Authorization Criteria

- Harvoni preferred for Genotype 1
- Sovaldi preferred for Genotypes 2-4
- Harvoni preferred for Genotypes 5-6
- Approval period varies depending on genotype and treatment experience
- New guidelines were published on Friday (8/7/15)
- 2 new drugs available (7/24)
- Public Health implications

Hepatitis C Drug Trend Projections

Georgia Department of Community Health
State Health Benefit Plan

August 11, 2015



Hepatitis C Spend – Georgia SHBP

Current Period: 01/01/2015 - 06/30/2015

Brand Name	Claims	Days	Patients	Gross Cost
HARVONI	184	5,152	73	\$5,982,924
VIEKIRA PAK	141	3,928	66	\$3,955,192
SOVALDI	46	1,288	19	\$1,330,904
OLYSIO	12	336	6	\$274,148
RIBASPHERE RIBAPAK	65	1,820	27	\$66,994
PEGASYS PROCLICK	12	336	4	\$42,983
MODERIBA	34	954	19	\$26,918
PEGASYS	10	224	3	\$14,339
PEGINTRON	1	28	1	\$7,193
RIBASPHERE	39	1,092	22	\$5,901
RIBAVIRIN	17	457	16	\$2,097
TOTAL HEPATITIS C	561	15,615	256	\$11,709,593
unique members across all Hep C treatments			166	

Previous Period: 01/01/2014 - 06/30/2014

Brand Name	Claims	Days	Patients	Gross Cost
SOVALDI	214	5,992	99	\$6,181,454
OLYSIO	95	2,662	47	\$2,166,321
PEGASYS PROCLICK	44	1,231	16	\$138,931
PEGASYS	48	1,325	15	\$142,603
RIBASPHERE RIBAPAK	90	2,520	30	\$83,639
VICTRELIS	10	280	4	\$69,044
INCIVEK	1	28	1	\$22,493
PEGINTRON	4	112	1	\$12,821
MODERIBA	15	422	7	\$11,454
RIBAVIRIN	60	1,735	27	\$5,729
PEGINTRON REDIPEN	1	28	1	\$3,154
RIBASPHERE	12	331	5	\$767
TOTAL HEPATITIS C	594	16,666	253	\$8,838,410
unique members across all Hep C treatments			97	

Spending Comparison First half CY 2015 to first half CY 2014

- Unique Patients increased 71.13%
- Gross Cost increased 32.49% (represents all drug costs)
- Viekira Pak Avg. cost /Rx: \$28,051
- Two new drugs FDA approved at the end of 2014 are the primary drivers of utilization and cost increases – Harvoni and Viekira Pak

Hepatitis C – Percentage of Drug Spend

Hepatitis C Spend as a Percentage of Total Gross Cost - SHBP

1st Half CY 2015 – 3.57% (\$11.7 Million)

1st Half CY 2014 – 3.03% (\$8.8 Million)

FY 2014 – 2.65% (\$16.4 Million)

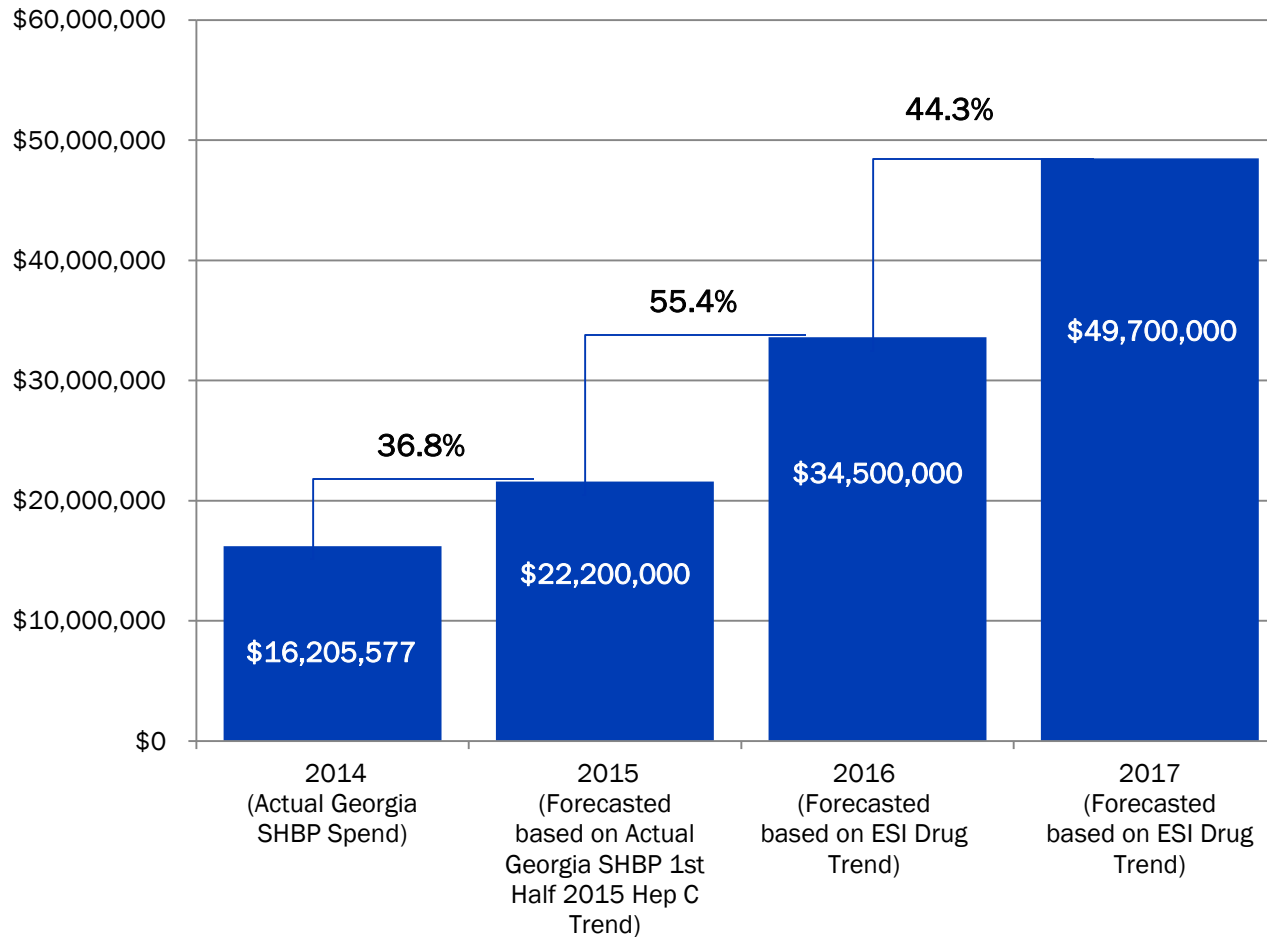
Therapy Discontinuation Rates:

Drug Name	Number of Unique Members with Claims with Drug	Total Completing Therapy with Drug	Total Not Completing Therapy with Drug	% Completed Therapy
HARVONI	94	91	3	96.81%
VIEKIRA PAK	82	76	6	92.68%
OLYSIO	55	50	5	90.91%
SOVALDI	125	112	13	89.60%
VICTRELIS	4	2	2	50.00%

- 6 members since January 2014 have received a second treatment course.
- All had taken older regimens; now receiving Harvoni or Viekira Pak for second course.

Budget Impact Projections

Georgia SHBP Hepatitis C Treatment Cost



Georgia SHBP Hep C Utilization

- Total unique members treated 166 during first half CY 2015

Based on 2014 and 1st Half 2015 Georgia SHBP utilization, ESI Drug Trend Report rates were applied to 2016 and 2017. Georgia SHBP membership for first half CY 2015 is 514,182

Approval Process for Hepatitis C Treatment

- Prior Authorization (PA) required for all Hepatitis C drugs
- PA criteria applies clinical requirements for use of each drug followed by a requirement for use of preferred drugs before non-preferred drugs
- ESI's Pharmacy & Therapeutics Committee approves prior authorization criteria before it is applied
 - Patients with genotype 1 (70% of cases): The preferred product is Viekira Pak.
 - Patients with genotype 4 (1% of cases): The preferred product is Viekira Pak.
 - Patients with genotype 2,3,5, or 6 will be directed to try Sovaldi. Genotype 2 represents 18% of cases, genotype 3 represents 10% of cases, genotypes 5 and 6 are less than 1% of cases.

Exception Criteria and Grandfathering

- There are exceptions built into the review criteria based on clinical evidence for which a member could qualify for use of a non-preferred product
- For requests that are denied, members can submit an appeal
- Members already on treatment with a non-preferred product were grandfathered
- For Georgia SHBP, specialty medications are processed through Accredo, allowing one retail fill. Georgia SHBP does not reimburse for out of network prescriptions