Current Reimbursement for Long-Acting Injectable Antipsychotics

The Care Transitions Network

National Council for Behavioral Health
Montefiore Medical Center
Northwell Health
New York State Office of Mental Health
Netsmart Technologies
Learning Objectives

• Healthcare administrators rightly jump to the logistics of any new intervention:
  • What will this cost and how will it be paid for?
  • What impact will this have on staff?
  • On our workflows?

• By the end of this affinity group call, administrators will be able to:
  • Understand and navigate payer benefit and authorization policies
  • Achieve operational efficiencies and overcome practical barriers to implementation
Outline

Patient Specific Benefit Verification

• Factors affecting coverage
• One important payer: Medicaid
• Obtaining the LAI
• Benefit category
• Site of service
Let’s Hear From You...

What current systems are in place for starting to prescribe a long-acting injectable antipsychotic for a patient?

Please share your current systems/policies by raising your hand or typing in the chat box.
Patient-Specific Benefit Verification
Benefit Verification: Factors Affecting Coverage

• Check coverage
  • Is the benefit category medical or pharmacy?
  • Is the LAI not on formulary, and if so, is there a formulary exception process?

• Determine access
  • Does the LAI require prior authorization?
  • Does the patient meet the payer’s necessary requirements for use of the LAI?
  • Are there quantity limits to what is covered?

• Product acquisition
  • What are the payer’s requirements for obtaining the LAI? Buy and bill? Specialty pharmacy? Retail pharmacy?

• Patient cost-sharing
  • Co-pay or Co-insurance? Ask about patient’s cost-sharing obligations and whether they vary by benefit category or site of care.

• Site of care classification
  • What is the site of care? Identify the site of care and determine how the payer classifies the site
Factors Affecting Coverage

Dual eligibility
- Medicare
- Medicaid
- Private

Payer Type

Benefit Category
- Medical
- Pharmacy
- Both

Site of Service
- Physician Office
- CMHC
- Outpatient
- Inpatient
- Partial

Care Transitions Network
for People with Serious Mental Illness
Medicaid

• Medicaid is the largest source of coverage for many people with schizophrenia
• It covers people with disabilities and people with little income
• More than 50% of Medicaid patients may receive coverage through a Managed Medicaid plan that is administered by a commercial payer
• Patients enrolled in Managed Medicaid plans may have different coverage than patients covered under a Fee-for-Service Medicaid program
• It is important to verify which entity determines prescription drug coverage for LAIs and benefit coverage for each individual patient
Recent New York State Medicaid Changes

• Behavioral health benefits for adults were paid as Fee-For-Service (FFS)
• Since July 2016, most are now “carved in” to Medicaid Managed Care (MMC)
• MMC plans began covering atypical injectables for Supplemental Security Income (SSI) enrollees and SSI-related enrollees; these were previously covered under Fee-For-Service
• MMC plans will cover typical and atypical long-acting injectables as both a pharmacy and medical benefit
• Prior authorization for typical long-acting antipsychotics will not be required
• These changes have improved access to LAIs for Medicaid recipients
## Medicaid Coverage for Atypical LAIs

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*The New York State Department of Health is working on implementing system changes to allow for atypical long-acting injectables, as well as injectable naltrexone extended release (Vivitrol) to be covered as a pharmacy benefit for those enrollees in MMC who continue to access these medications through Medicaid FFS (as shown above)*

June 2016 New York State Medicaid Update
NY Managed Medicaid Plan Coverage of LAIs

• Until the migration toward Managed Medicaid, states purchased healthcare services for Medicaid beneficiaries largely on a fee for service basis

• Under Medicaid Fee-for-Service plans, providers are paid for services based on a set fee schedule, usually a fixed percentage of the Medicare rate or tiered based on the patients’ income

• Under various Managed Medicaid plans, coverage and reimbursement are variable based on the specific plan
The New York State Medicaid Managed Care Pharmacy Benefit Information Center

- [http://mmcdruginformation.nysdoh.suny.edu/](http://mmcdruginformation.nysdoh.suny.edu/)

- Use “drug look up search” to look up formulary drugs

- Choose tab “mental health quicklist”

- Select “Injectable Antipsychotics”, select “All plans” and click “begin look up”

- Click on the "C" to find out if a covered drug has:
  - Limited strengths on formulary
  - Required step therapy
  - Quantity limits
  - Prior authorization requirements

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**Notes:**
- **UPPERCASE** indicates brand name drug, **lowercase** indicates generic name drug.
- **C=Covered, NC=Not Covered**
Audience Discussion...

In working with insurance payers, have you had a barrier to prescribing a Long-Acting Injectable Antipsychotic at your clinic that you have overcome?

Please share with the group examples of solutions to challenges you have had with this process, either by raising your hand, or typing in the chat box.
Obtaining the LAI

• Several options exist for obtaining LAIs depending on preferences and payer requirements:
  
  • Order LAI and submit claim (**buy and bill**)
  • Specialty Pharmacy
  • Retail Pharmacy

• It is important to always check with each of the patients’ payers prior to ordering or administering the LAI to verify the policies for a given patient’s insurance
Benefit Category

• There are 2 benefit structures commonly used to cover costs of LAIs:
  • Medical Benefit
  • Pharmacy Benefit
When an LAI is covered as a pharmacy benefit

- The prescription is submitted to the pharmacy (specialty, retail, or mail order)
- The pharmacy ships the medication to the site of service
- In some cases, the payer may specify that the prescription be filled by a specialty pharmacy
- In these cases, the pharmacy is responsible for submitting the claim for the LAI
- The healthcare professional bills for administering the injection and any other professional services
When the LAI is covered as a medical benefit

• Providers and CMHCs may be able to purchase and administer the LAI in the office-setting

• This process, known as “buy-and-bill” allows the healthcare professional to use their NPI number to bill for different components of treatment

• These include cost of purchasing the medication, the injection/administration, and any other services (such as E&M service)
Site of Service

• The **site of service** can influence which **benefit category** covers the LAI

• If site of service is an outpatient location such as the **physician’s office** or **CMHC**:  
  • Benefit category can be medical or pharmacy  
  • *Roughly 80% of the time*, LAIs will be covered as a **pharmacy benefit**

• If site of service is a **partial hospitalization** program:  
  • Usually coverage category is **medical benefit**

• Remember, for Managed Medicaid, LAIs should be covered under both benefit categories

• Contacting the payer directly as part of an insurance benefit verification is the best way to determine benefit structure and coverage
Next Steps

1. Identify the individual/individuals responsible for the patient-specific benefit verification process at your facility

2. Identify one patient with Medicaid appropriate for transition from oral antipsychotics to its long-acting injectable counterpart (PSYCKES can help with this)
   First, log into PSYCKES
   Next, go to the Indicator Set
   Click on the BH QARR-Improvement Measure
   Click on Adherence-Antipsychotic (Schiz)
   List of patients who have been non-adherent based on pharmacy fill data will show up
Next Steps

3. Use the New York State Medicaid Managed Care Pharmacy Benefit Information Center to see coverage details and requirements for the LAI agent in question

4. Verify this information is correct using the Patient-Specific Benefit Verification process (use Benefit Verification Handout to know what questions to ask)

5. Spread the word about the LAI Innovation Community to your fellow staff members
## Upcoming Events

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<tr>
<th>Event</th>
<th>Date/Time</th>
<th>Audience</th>
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<tr>
<td><strong>Affinity Group #2:</strong> Setting up a LAI Program</td>
<td>Thursday 9/14 from 12-1pm</td>
<td>Administrators</td>
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<tr>
<td><strong>Affinity Group #3:</strong> Switching Strategies, Dosing and Other Prescribing Issues</td>
<td>Thursday 9/28 from 12-1pm</td>
<td>Prescribers</td>
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<td><strong>Affinity Group #4:</strong> Sustaining a LAI Program</td>
<td>Thursday 10/12 from 12-1pm</td>
<td>Administrators and Clinicians</td>
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<td>Showcase Webinar</td>
<td>Tuesday, 10/31, 12-1pm</td>
<td>Clinical Directors and Clinical Supervisors</td>
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Disclaimer: The contents provided are solely the responsibility of the authors and do not necessarily represent the official views of HHS or any of its agencies.
References

Medicare

• Treatment of schizophrenia can involve multiple sites of care over time.

• **Medicare Part A** covers LAIs administered while inpatient under bundled payment with other inpatient services.

• **Medicare Part B** covers outpatient mental healthcare. It may cover physician administered drugs such as LAIs if drugs are not already covered under a commercial plan or Medicaid, or if the patient does not have Medicaid Part D.

• **Medicare Advantage** is managed Medicare combining Parts A and B including prescription drug coverage **Medicare Advantage Prescription Drug (MA-PD)** plans. LAIs are usually not covered this way.
Medicare Part D

- **Medicare Part D** is an optional managed benefit which covers outpatient prescription drugs.

- For patients with low income they may automatically qualify via **Dual Medicaid/Medicare enrollment** or as a **Low Income Subsidy beneficiary**.

- Medicare Part D is usually how outpatient LAIs are covered.

- Part D benefits are administered by private insurance plans that contract with CMS.

*Coverage and reimbursement with **Medicare Part D** vary based on the plan.
Medicare Part D

• There is an **initial deductible** that must be met, thereafter

• **Initial Coverage Phase** – covers 75% before the 2016 standard limit of $3,310 of retail cost is met, then

• **Secondary Coverage** - covers 55% of brand cost and 42% of generic cost, then

• **Catastrophic Coverage Phase** – once out of pocket drug costs exceed $4,850, covers about 95% of retail price.

*This essentially means coverage and reimbursement are also **variable throughout the year based on the amount of coverage used.**