

# State Employee Advisory Commission and Public-School Advisory Commission Minutes

February 13, 2024

The Arkansas State Employee Advisory Commission and Public-School Employee Advisory Commission met on Tuesday, February 13, 2024, at 10:00 a.m.

**ASE Commission Members Present:**

**Ronda Walthall**

**Jerry Jones**

**Cynthia Dunlap**

**Marty Casteel**

**Bruce Maloch**

**PSE Commission Members Present:**

**Greg Rogers**

**Billy Jackson**

**Julie Bates**

**Kurt Knickrehm**

**Others Present:** Grant Wallace, Director of EBD; Amanda Land, Deputy Director of EBD; Jay Bir, EBD; Janella Deville, EBD; Sylvia Landers, Colonial Life; Denise Flake, EBD; Skochu Fields, EBD; Jennifer Davis, DIS; Krista Grafe, EBD; Sherry Bryant, EBRx; Trey Gardner, EBRx; Kristen Belew, EBRx; Paul Sakhrani, Milliman; Gregory Collins, Milliman; Glenda Martin, Ashley Boes, Nima Nabavi, Lori Bowens, BLR; Alix Stephens, BLR; Emilie Monk, Jessica Akins, Takisha Sanders, ABCBS; Marissa Keith, John Bridges, ASEA; Sharon Chuculate, AAEE; LeAnn Perkins, ASU System Office; Erika Gee, Jim Musick, Marc Bagby, Lilly; Stephen Carroll, AllCare Specialty; Frano Baunar, Noro Nordell, and 3 others.

## Call to Order

Meeting was called to order by Chairman Cynthia Dunlap and announced there was a quorum for the PSE and ASE Commissions.

### **1. Approval of January 9, and January 25 ASE & PSE Minutes, Cynthia Dunlap**

Billy Jackson moved to approve the minutes from January 9 Regular Meeting, seconded by Jerry Jones. **Motion Passed.**

Jackson moved to approve the minutes from the January 25 Special Meeting, seconded by Julia Bates. **Motion Passed.**

### **2. Director's Update, Grant Wallace**

Director Grant Wallace pointed out to the Commission the monthly financial presentation was included in the documents for their review. He noted EBD will continue to include those monthly.

Director Wallace said there was a public hearing for the voluntary rules and the notice of this hearing has been published in the paper according to the laws governing those meetings.

Director Wallace said Milliman will be visiting EBD the week of February 26 for more in-depth work and rate setting exercises and if there is anything the Commission wants them to look at then to let him know. He said options and recommendations will be provided as part of the normal process of annual rate setting.

He said the Baptist Health System and UnitedHealthcare (UHC) have come an agreement, and it is a multi-year contract. UHC will begin sending out communications to members. He said St. Bernard's and UHC continue to negotiate. Regarding St. Bernard's, Director Wallace noted letters sent out both by UHC and St. Bernard's were confusing to our members. He has spoken with UHC and hopes to speak with St. Bernard's soon to get clarity from their side. He said the letters were very blanket language and did not specifically apply to our members and assured St. Bernard's will continue to see the state and public-school retirees utilizing UHC's plan. He mentioned two systems, Sharp Independence, and Five Rivers, who fall under the St. Bernard's umbrella, are going out-of-network.

Director Wallace said he has been approached by Retiree First. He described what they do is a sort of concierge service for retirees to help navigate the healthcare system. He said they are looking at launching a pilot program which would assist retirees to navigate the enrollment process. He said he was still reviewing it and the agency is reviewing it but did say this may be something he brings back to the Commission in the future. The goal would be to look within the teacher population, who admittedly EBD is struggling to communicate and connect with. But see if this is another viable option to assist with that to make sure they have all the information needed to help navigate the process.

Billy Jackson asked about UHC and would there be another vendor come in after the initial contract is up. Director Wallace said it is technically a 7-year contract and the first three are locked in and then there are four one-year renewals. If something is not working for either side then those one-year renewals are the time to potentially walk away, but it's also an opportunity to reset. If there are things EBD wants them to improve on, then that is the time to make that known. He said he anticipates finishing out the full seven years with UHC.

Kurt Knickrehm asked if the Retiree First was a standalone group, a counseling group, or an agency that gets paid by moving people to a program. Director Wallace said they are a counseling group with a set fee. Knickrehm asked if the state would pay the fee, to which, Director Wallace said yes.

### **3. Formulary Review, Kristen Belew**

Kristen said Jake Goll had a conflict with the meeting today so she would be presenting the formulary recommendations. She laid out the process where EBRx, Director Wallace, and Navitus all meet to discuss the formulary to agree on recommendations to be presented to the Commission.

Xphozah is a new drug used to reduce serum phosphorus in patients who are on dialysis. It is currently not covered because it is a new drug, but the recommendation is to put it on Tier 3 with a Prior Authorization (PA) and a Quantity Limit (QL).

Penbraya is a vaccine for meningitis and per the standard vaccine format it is recommended to be covered with a \$0 copay.

Thalomid is a capsule that can be used for multiple myeloma and Erathema Nodosum Leprosum. This drug is already on the formulary at Tier 4 with a PA, but the recommendation is to remove the PA because there is such low volume and there is no off-label use for this drug. The idea is to streamline the process with this drug.

Clonidine ER (Kapvay equivalent), dexamethylphenidate ER (Focalin XR equivalent), methylphenidate ER (Concerta equivalent), dextroamphetamine ER (Dexedrine equivalent), methylphenidate ER (Ritalin LA equivalent), methylphenidate ER (Aptensio XR equivalent), lisdexamfetamine chew tab (Vyvanse equivalent), Methylphenidate Tab (non-AB rated Concerta), methylphenidate chew tab (Methylin equivalent), and methylphenidate solution (Methylin equivalent) are all used for ADHD. Belew said it is just wise to go back and review drug classes because of price changes and when those prices do change it is recommended sometimes to change the tiering. Several of the listed generic ADHD medications dropped in price so it is being recommended they be moved to Tier 1.

Pen Needles were covered at \$0 copay last year and it was talked about during the transition formulary to keep all diabetic instruments at \$0 copay. This includes test strips and lancets and pen needles needed to be corrected.

Julie Bates asked if the meningitis vaccine is something that is a general population vaccine or if there is a targeted population it is meant for. Belew mentioned it is normally administered before kids go to college and it falls under the same category as other meningitis vaccines. Bates said she was interested since some of those specific vaccines are targeted towards the older population and asked if this was a general replacement to something already listed. Trey Gardner said this specific vaccine has approved indication for those 10-25 years of age. Belew added they will see if it is a replacement to another vaccine.

Bates moved to approve the formulary recommendations; Jerry Jones seconded. **Motion passed.**

Belew then presented the medical benefit drugs for approval. She said these are drugs give in an office setting, or an ER setting, or in a transfusion, outpatient setting. She read the Health Advantage (HA) statement saying "Our goal is to review new drugs to determine coverage policy and publish to the HA website within six months of the product entering the market. These reviews are done post service, but the coverage policy criteria is available online for providers to review before administering the medication. If a medication does not have a coverage policy, medications over a certain dollar amount will pend for manual review by a

Medical Director. In addition, providers may request a Formal Benefit Inquiry to determine coverage prior to administration.” She said Health Advantage will do this in most instances because they do not want to be out of pocket for that expense.

Balfaxar is a reversal of anticoagulation and is used in emergency departments or inpatient settings. It is recommended to be covered under the Diagnosis Related Group (DRG), which means it is a category with similar clinical diagnosis to better control hospital costs and determine payor reimbursement rates, so a lump payment that is handled on the medical benefit side.

Beyfortus is an injection for the prevention of RSV for those under the age of eight months.

Elevidys is a gene therapy for muscular dystrophy and has a high price tag of \$3.2 million and is recommended to be excluded.

Elfabrio is for Fabry disease and it is recommended to cover this drug.

Epkinly is recommended to be covered.

Gohibic is for Covid-19 patients on ventilation or ECMO. It is not recommended to put a PA on it and not limit this drug in any way so it will be covered under the DRG.

Omisirge is for malignancies that are planned for the umbilical cord transplant, which is not a very common process. So, it is recommended to be excluded at this time.

Polivy is an update on coverage with PA. Since this is an outpatient cancer medication, it is recommended EBRx handles the PA prior to administration of the medication.

Prevudo is another reversal agent so recommending being covered under the DRG.

Veopoz is for Chapple disease, which is not very common but is being recommended to be covered.

Vyvgart is for myasthenia gravis is recommended to be covered.

Zynyz is for Merkel cell carcinoma and is recommended to be covered.

Kurt Knickrehm asked what Chapple disease is. Belew answered it is a genetic disease and is not very common. Knickrehm asked what causes the spread of the cost. Belew said the price is varied because the dosage is determined based on the patient’s weight. Knickrehm asked if this is an ongoing disease. Belew answered yes. Bates asked how those patients are currently being treated. Belew said they can investigate what is currently being done. Bates asked if it was really a gene therapy because it did not seem to her as if it was modifying genes to treat the disease. Jackson added fewer than 100 patients have been diagnosed with Chapple disease worldwide. Gardner said it’s an ultrarare genetic condition and the drug is not gene therapy, but Chapple disease is a genetic condition. Knickrehm asked if there is some level of a PA on a drug like this. Gardner said the link in the document will take you directly to the coverage

policy of the specific drug, which is how it will be reviewed. Belew added since it is over \$6,000 it is already reviewed. Director Wallace said the policy coverage does say a PA is required and the initial use of this drug does require documentation of direct position and involvement in ordering and evaluating and signature in the medical record submitted for prior approval. Concurrent review will require continued evidence of appropriate utilization and the initial approval is for six months. Any continued approval is not clearly stated. Knickrehm said his question was answered. Ronda Walthall added they are just referring to Health Advantage's coverage policy and they are going to have a PA and the only reason Polivy says PA is because EBRx is PA'ing that.

Director Wallace said they will continue to own this document and it is a challenge because there are pages and pages you cannot shrink down to fit into the boxes of the document, but EBD wants to provide what their recommendation is, like what EBD does with Navitus. EBD wants to keep the language consistent and do things in accordance with what Health Advantage has as criteria.

Bates asked for more context in the future, like how many people would this apply to. Director Wallace added that many of these drugs are new, but if it is replacing something or it is a new way to treat an existing population, he will make sure to add those figures.

Bates moved to approve the medical formulary recommendations, seconded by Knickrehm.

**Motion passed.**

#### **4. Other Business**

Dunlap asked if there were any questions on the financial report included in the Commission's documents. There were none. Knickrehm moved to adjourn until March 12, 2024 and Bates seconded. **Motion Passed.**