

Value-Based Programs in Oklahoma Medicaid

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Oklahoma's Approach

- Oklahoma's goal was to negotiate a mutually beneficial APM contract with a manufacturer
 - Pave the way for future contracts between Medicaid programs and manufacturers
 - To engage in different types of agreements
 - Share lessons learned with others
 - Anything is on the table for discussion
 - Not all agreements are focused solely on initial cost of product
- Utilize PMC research team for analysis of all findings (inclusive and exclusive of the agreement)
- Worked with CMS to get approval of a State Plan Amendment (SPA)
 - Supplemental Rebate format is outside of "Best Price" implications

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Contact with Manufacturer

- Have had conversations with over 30 manufacturers
 - #3 prefer a data research/collaboration agreement → APM
 - #3 could not reach an agreement
 - #13 opted out or not responded lately
 - #7 still in discussions (#3 future products)
 - #4 executed agreements
 - #2 discussions around products not yet on the market
- Manufacturer Interactions
 - Receptive and non-confrontational
 - Very beneficial for manufacturer to bring ideas to the table
 - Understanding of the Medicaid environment
 - Required management of data requests

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Executed Contracts

Alkermes

- Long-acting injectable antipsychotic
- Adherence

Melinta

- IV antibiotic
- Overall costs and potential savings

Eisai

- Antiepileptic
- Reduction in hospitalizations

Janssen

- Long-acting injectable antipsychotic
- Population adherence (Phase 1)
- Phase 2 will include clinical outcomes

Collaboration Agreements

- 3 agreements currently in place
- Population characterization

Oklahoma Health Care Authority. Press Release: Amgen, Oklahoma Health Care Authority and University of Oklahoma's Pharmacy Management Consultants Partner to Improve Medicaid Outcomes. June 2018.

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Conclusions

- APMs provide opportunities to promote potential cost savings and improve health outcomes but diligent work may be required
- A large amount of APM options to be explored
 - May be appropriate to start small just to get the ball rolling and get through some of the initial hurdles
 - May take some time to see the full results
- Our goal is to share outcomes as they are available with hopes other states can follow with much less work and challenges
- Watch for “Pay Over Time” models as they will present a new set of challenges

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