

2013 Auto Prior Authorization (PA) Analysis-Addendum #2

The purpose of this document is to further examine pharmacy usage of the one-time 14-day fill for non-preferred drugs when Prior Authorization (PA) is required. The one-time 14-day fill is available to all clients and allows a 14 day temporary supply of a non-preferred drug to be dispensed. It is generated at the pharmacy through the use of claims editing and can only be used once per client and drug.

The aim of this analysis is to determine how many clients received the one-time 14-day temporary fill, and investigate the scenarios in which clients had not received the one-time 14-day fill. Therefore, this analysis focuses on the difference between the **587,047** claims which set edit 3101 and the **100,322** one-time fills actually dispensed. The results of this analysis are displayed in the following chart and followed by the methodology used and conclusions reached.

Results Table

	Total Number
Claims setting edit 3101 in 2013 for non-preferred drugs	587,047
Duplicate claims	376,723 (64% of Total)
Unduplicated Claim Total (becomes our base as dups have been removed)	210,324 (36% of Total)
One-time 14-day fills dispensed	100,322
Did not receive a one-time 14-day fill	110,002
Received Auto PA prior to 2013 (one-time 14-day fill for same drug)	37,763
Manual PAs Submitted (PA's requested by the prescriber & approved)	11,300
Switched to Preferred Alternative	49,332
No One-time 14-Day Fill/Switch to Preferred Alternative Note: 5.5% of unduplicated claim total & 2.0% of total claims hitting edit 3101	11,607

Methodology

For the year 2013, HP analyzed all pharmacy claims which set edit "3101 - Non-preferred Drug". There were a total of **587,047** claims which set this edit for non-preferred drug. A total of **100,322** one-time 14-day fills were created/dispensed at the pharmacy level for non-preferred drugs. Additional analysis was conducted to identify the discrepancy in the number of claims setting edit 3101 and subsequent one-time 14-day fills dispensed being created/dispensed at the pharmacy.

It was hypothesized that a great deal of the non-preferred drug claims setting the edit were duplicates, meaning that more than one claim existed for the same client and drug combination. HP excluded all

additional claims setting edit 3101 in 2013 which had the same client and drug, and found only **210,324** unique client/drug combinations actually setting edit 3101. This shows that **376,723** of the claims setting edit 3101 were redundant.

Subtracting the number of one-time 14-day fills created/dispensed from the count of unduplicated claims, left a total of **110,002** cases where a client did not receive the one-time 14-day temporary supply. Of this total, **37,763** clients had already received the one-time 14-day supply prior to 2013 for the same medication in which their claim was setting edit 3101, so they were excluded from further analysis.

Of the remaining **72,239** clients who were eligible to receive the one-time 14-day supply, it was determined that **11,300** received a subsequent paid claim for the medication by using a manual PA submitted by their prescriber (prescriber calling HP to request a prior authorization). An additional **49,332** clients had a therapy change to a preferred formulary alternative, as evidenced by presence of a subsequent paid claim for a preferred drug with the same AHFS (American Hospital Formulary Service) code. The AHFS classifies drugs with similar pharmacologic, therapeutic and chemical characteristics.

After removing these scenarios, there were a total of only **11,607** clients eligible to receive a one-time 14 day supply who did not obtain a PA or alternative drug. This constitutes **2%** of the original count of claims or **5.5%** of the unduplicated count of claims setting edit 3101.

Conclusions

The vast majority of clients who had a claim set edit 3101 for non-preferred drug in 2013 were still able to receive medication therapy. The majority of these claims were a result of duplicate submissions (**64%**), which is the biggest factor in the difference between those setting edit 3101 and the number of actual one-time 14 day fills created/dispensed.

The most common outcome pending a unique claim setting edit 3101 was the processing of the one-time 14-day fill (**48%**), followed by a switch to a preferred product (**23%**), and then use of a manual PA (**5%**) in which the prescriber requests PA/receives approval. Additionally, **18%** of clients whose claims set edit 3101 had received the one-time 14-day fill prior to 2013 and were not eligible to receive another one-time 14-day fill for the same medication.

There are additional scenarios which could not be detected by our analysis. The first would be a client who had a claim set edit 3101 and was provided free drug samples from their prescriber in lieu of obtaining a one-time 14-day fill or having to request PA from HP. Additionally, our data search was limited to calendar year 2013, so it could not capture any follow-up after the end of the year. These scenarios could account for a portion of the **5.5%** who did not request/receive a PA or alternative therapy.

