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Wisconsin Department of Employee Trust Funds
801 West Badger Road
Madison WI 53713-2526

Re: Response to CGI Technologies & Solutions Audit of ETF Claims for 2004 and 2005.

Dear Arlene,

Thank you for the opportunity to allow Navitus to comment on the summary of the audit findings provided by CGI.

We are very pleased to hear that the findings showed a 99.93%/99.2% level of plan payment accuracy.

We do have responses to the summary provided by CGI.

Categories: **Duplicate Mail/Duplicate Retail**
Early Refill Retail/Early Refill Mail,
Duplicate Therapy.

Duplicate Mail/Duplicate Retail
Early Refill Retail/Early Refill Mail

Navitus reviewed archived SXC claims for May and determined that the duplicate claims resulted from a pharmacist override. The pharmacist has the option to override any "SOFT REJECT." Definitions of "SOFT AND HARD REJECTS" are as follows:

Definitions:
A SOFT REJECT will reject a claim that has been submitted by the dispensing pharmacy. Once the pharmacist has reviewed the claim they can submit the claim a second time after entering a code indicating that they have reviewed the claim, and feel that it is appropriate to continue to fill the claim. The reason it is called a SOFT REJECT is because it can be manually overridden by the pharmacist at the pharmacy, after first being reviewed.

A HARD REJECT is one that cannot be overridden by the dispensing pharmacy, and the pharmacy must call Navitus and request that an authorization be entered before the claim will be allowed to be processed and paid. The Navitus claims processor uses many edits that check each claim as it is submitted. One of the checks is to determine if the claim submitted is a duplicate of a claim previously submitted. If the claims processor identifies the claim as a duplicate, based on the drug and strength, the system will reject the claim and message the pharmacy back stating that this is a duplicate prescription. This will be a SOFT REJECT if the duplicate prescription is being filled at the same pharmacy. If the duplicate prescription is being filled at a different pharmacy this would be considered a HARD REJECT and the pharmacy would have to call Navitus to get the claim to pay.

Navitus allows the pharmacy to use its professional judgment to fill or not to fill a duplicate prescription if they have record of both prescriptions being filled; and therefore, this is considered a SOFT REJECT the pharmacist can override themselves. When the duplicate prescription is being filled at a different pharmacy the dispensing pharmacy does not have all the information to make that professional judgment to fill or not to fill, and is required to call Navitus to discuss the situation prior to Navitus entering an auth to allow the claim to be paid.

Duplicate Therapy Screening checks to ensure a patient is not taking two or more medications from the same therapeutic class. This edit uses a table within the claims processing system that is developed by Medispan, a leading supplier of drug information, to include what would be considered a duplicate therapy situation. Currently, this edit is set up to SOFT REJECT. A SOFT REJECT will reject the claim the first time the pharmacy submits for payment, but allows the pharmacy to manually override this edit themselves on the second submission.

Response
In the initial discussions on system set-up, a decision was made by the Navitus Pharmacy and Therapeutics Committee, which is made up of pharmacists and physicians, to allow a SOFT REJECT, allowing pharmacists to make these types of decisions for members and to assist in providing as little disruption for members as possible.

The SOFT REJECT serves two purposes. By rejecting the claim initially; it requires the pharmacist to look at the type of rejection received. The second purpose it serves is, if the pharmacist deems the claim is appropriate, they have the ability to override the submission themselves. This does not require the pharmacy to contact Navitus to have an authorization added. This allows the pharmacist to make appropriate clinical judgments that are within his/her scope of practice.

The claims processor vendor only provides eighteen months worth of claims that show the entire claim transaction. Claims paid before the eighteen months are archived and it is cost prohibitive to extract all the daily extract files and remove only ETF members from the files. The Navitus data warehouse does not house the field that shows the override.

Navitus was able to review a total of 40 screen prints from 2005 claims showing the pharmacy rejects of “0000000003” or a “3.” **100% of the claims pulled showed a SOFT REJECT happened and that the claim was overridden by the pharmacist.**

Navitus is confident that 100% of the claims in the Duplicate Therapy and Early Refill categories were the result of a SOFT REJECT that was reviewed by the pharmacist and subsequently overridden by the pharmacist. Navitus would be happy to pull additional random claims if requested. Also, if the State decides to collect the amount shown on the spreadsheet, Navitus would like the opportunity to pull the claims at issue in order to show the SOFT REJECT.

Pharmacists may decide to override SOFT REJECTS for other reasons as well, some of which include:

1. Upon review of the claims, it was discovered that many of the Duplicate Retail/Mail claims listed on the spreadsheet are the result of coordination of benefits for members who have coverage under two policies with the State. If the first line of the duplicate claims shows a copayment amount and the second line shows "0," this means the second claim was sent in for Navitus to process as secondary coverage (and covers any copay amount remaining from the first claim submission). This is not typically a normal way of submitting COB and Navitus will work with those pharmacies to coordinate benefits in a more traditional manner.

2. Pharmacies may also override a soft reject when a prescriber rewrites a prescription for the tablet splitting program and a member tries to get a refill early. The new prescription is a higher dose (and half the number of tablets), which results in a different prescription number.

Intervention:

Navitus is exploring several options:

1. Turn off the ability for pharmacists to enter in an override, forcing pharmacists to call Navitus for each situation. This would greatly increase member disruption and the pharmacist's ability to make clinical judgments that are within their scope of practice.
2. Explore the option of being able to use the soft override in some situations but not others, or to be able to have several "override" codes to track why pharmacists are using the overrides. This is being explored with the new claims processing system.
3. In 2008, auditing Duplicate Prescriptions, Overrides, and Refill Too Soon will be added to Navitus' internal auditing process.

Duplicate Therapy

Navitus believes the Duplicate Therapy claims related to oral contraceptives (OC's), antihistamines, and narcotics were reasonable and appropriate. Patients often cannot tolerate specific OC's and are switched to another OC that contains a different combination of hormones. There are also some instances where members need more than one antihistamine to control symptoms of itching or rash. Also, prescribing two different narcotics is clinically appropriate and used often as step down therapy. This is when members use a more potent narcotic first until the pain level reduces at which time the member can use the less potent narcotic. It is also considered standard of care to use both a long acting narcotic in combination with a short acting narcotic for those times when members have break through pain.

Navitus determined that duplicate claims for these instances are reasonable and appropriate.

Quantity Dispensed Exceeds Standard Package Size

The drugs on the spreadsheet were reviewed by a Navitus pharmacist. His conclusions are:

- Nasal sprays – Navitus does not currently have quantity limits in place for nasal sprays. Our focus on quantity limits is around safety and preventing misuse or overuse. This is not an issue with nasal sprays.
- Micardis – The specific drug identifier (NDC) of Micardis comes in a bottle of 28. Since the drug benefit allows for 30 days supply and this drug is given once each day the pharmacist opens up another bottle and puts two tabs in the bottle of 28 to make a quantity of 30. This is reasonable and appropriate.
- Prempo – Prempro comes in a package size for a 28-day supply. In this case pharmacists are used to putting in a quantity of 30 so they are miskeying the quantity amount. They are keying in a quantity of 30 when in actuality a quantity of 28 was dispensed.

Intervention:
Navitus is currently evaluating quantity limits for oral inhalers, nasal sprays, topical creams and ointments, and eye drops. We will be evaluating quantity limits based on safety but also potential for misbilling on the part of the pharmacy. Also, in 2008, Quantity Limit/Days Supply and Quantity Limit, Package Size will be added to Navitus' internal auditing process.

Non-Matched Gender Male

Initially claims were checked to see if they were processed incorrectly under a spouse of the member. The member on Premarin and Medroxyprogesterone were processed incorrectly to the husband. This has been corrected.

The gender of the member on Prometrium and Estradiol is listed as "M" and the member's name is XXXXX. This was an eligibility issue and ETF was contacted to correct the member's gender code.

Zelnorm was approved by the U.S. Food and Drug Administration for the treatment of chronic idiopathic constipation in male and female patients less than 65 years of age on August 23, 2004. This is clinically appropriate treatment.

Danazol (Danocrine) is indicated for the prophylaxis of attacks of hereditary angioedema of a severe or life-threatening nature, in male and female patients. Because of this information, the treatment is clinically appropriate.

Navitus has been unsuccessful in contacting the provider for the member on Fareston. Studies have shown this medication is used off label for prostate cancer; however the medication profile does not indicate a diagnosis of prostate cancer. The last fill of this medication was on 8/25/05.

Navitus has also been unsuccessful in contacting the providers of the members on Arimidex and Femara. Neither of these members are currently on these prescriptions. It may be that these prescriptions were filled in error.

Intervention:
Age and gender edits were added as an edit on multiple products on November 16, 2005.

Non-Matched Gender Females

Initially claims were checked to see if they were processed incorrectly under a spouse of the member. It was determined they were processed correctly in that regard. Upon further investigation the following findings were concluded:

Androgel and Androderm are used in post-menopausal women to treat decreased libido. Many times these products are compounded which is an exclusion in "It's Your Benefit" which states, "Non-FDA approved prescriptions, including compounded estrogen, progesterone or testosterone products, except as authorized by the PBM." Androgel and Androderm are FDA approved products, but are not indicated for this use.

Uroxatral is in a group of drugs called alpha-adrenergic blockers. Uroxatral helps relax the muscles in the prostate, in males, and also relaxes the bladder neck in both males and females, making it easier to urinate. One of the members identified is using two other medications to help her urinate, and the other member has been changed to another alpha-adrenergic agent called doxazosin. This is again being used off-label.

Proscar is given in combination with oral contraceptives to treat female hair loss. This member is also taking estrogen and progesterone. This is a definite exclusion.

Intervention:
Age and gender edits were added as an edit on multiple products on November 16, 2005. Navitus will evaluate if there needs to be a gender edit placed on Androgel, Androderm and Uroxatral. A gender edit will be placed on Proscar.

Unofficial DEA for Controlled Substances Claims

In 2004 and 2005 Navitus did not require an official DEA# to process prescriptions. In late 2006 Navitus this became a requirement. Because an official DEA# was not previously required, pharmacists, who may not have known a prescriber's DEA#, could put in a dummy DEA# to get the prescription to adjudicate (if the claim was not for a narcotic). These claims are usually the result of prescriptions written by providers out of the area, emergency room providers, or pharmacists who do not take the time to get an official DEA#.

Intervention:
Navitus currently requires a DEA/NPI# to process prescriptions (implemented later part of 2006).

Excessive Quantities Dispensed

A Navitus pharmacist reviewed the claims on the spreadsheet. For member 10368761, per the call notes from a Navitus pharmacist: at that time,

"Discussed unusual narcotic regimen with his physician who indicated this is the narcotic regimen he prescribed. He will be on this regimen for at least the next year which includes Methyphenidate #90, hydromorphone #640, oxycodone #3600 per month. Having confirmed this is a valid regimen per his MD, will enter the appropriate authorization."

ETF was not contacted since this was related to a clinical determination made by the member's physician. If ETF would like to be notified of situations like this, Navitus would be happy to do so.

Please note: The Quantity listed is much higher than what was actually dispensed or charged due to incorrect entry of the Quantity by the pharmacist or pharmacy technician (usually these are "fat finger" errors). As you can see from the Quantity amounts listed 3028571 was listed instead of 30, etc.

Navitus does not automatically pay claims based on the Quantity amount. The Net Pay amount is appropriate for the Days Supply, not the Quantity indicated**. Navitus has logic built in to pay claims the lower of the Average Wholesale Price (AWP) or Maximum Allowable Cost (MAC) or Usual and Customary (U&C), so the claim would not pay if the Quantity entered was an error.**

Drugs Requiring PA - Restasis

Navitus has a prior authorization process in place that limits coverage of Restasis to providers who are optometrists or ophthalmologists. Once a provider fills out the form that is located on the Navitus Web site, the provider name is added to the claims processing system to generate auto-approvals for prescribing Restasis. This edit was added to the system on July 18, 2005 with an effective date of August 1, 2005. A list of provider names was provided**. Claims filled prior to August 1, 2005 did not require a prior authorization.**

Non-Covered Clarinex

Clarinex was appropriately set up in the system to reject. However, when Clarinex D and Clarinex Syrup came on the market, Navitus did not immediately add them to the list of medications to reject for coverage.

Intervention:

The formulary change process has evolved over time and Navitus now has a very detailed process to document all changes, including new formulations and dosage forms. In addition, we have changed how we build the formulary by eliminating the possibility of a change resulting in a product paying at the incorrect level. The change control process Navitus has in place today would not have allowed this situation to occur.

Non-Covered Clindamycin

The original set up in November of 2003 in the claims processing system included the coverage of 150 mg and 300 mg strengths. The intent was to cover only the 150 mg strength and not cover the 300 mg strength.

Intervention:

On January 12, 2004, the system set up was corrected to reject the 300 mg strength.

Non-Covered Prozac Liquid
Initially a decision was made to not cover Prozac liquid; however, it was set up in the system to be covered.

Intervention:
Upon review in early 2005, the decision was made to cover Prozac liquid since it is the only liquid formation.

Non-covered Sarafem
Sarafem was initially set up correctly to reject coverage. In July of 2004 Medispan reclassified the drug and it was then set up incorrectly to be covered.

Intervention:
The system was set up to reject coverage of Sarafem on September 23, 2004.

Drug Seeking Behavior Cases
Navitus Health Solutions implemented a Substance Abuse Monitoring Program in December of 2005 as a pilot program for the State of Wisconsin. The criteria set up were at a high level and only 11 members were flagged. A clinical review was done on each of the members to ensure that the findings were appropriate. Letters were then sent to the prescribers of the member notifying them of a potential problem with abuse.

The Substance Abuse Monitoring Program was again run in July and November of 2006 and May of 2007. Upon review of the pilot run, the criteria has been changed with successive runs to strengthen the targeting ability (identify more members who may have an issue with substance abuse).

All of the members identified on the spreadsheet would have been identified as having a potential problem if the current criteria of the program had been instituted in 2004 and 2005.

10166278	Member was identified in the May, 2007 process and letters mailed to prescribers.
10268973	Current review of claims shows member being treated appropriately with no excessive use.
10213188	Member was identified in the May, 2007 process and letters mailed to prescribers.
10107846	Member was identified in the May, 2007 process and letters mailed to prescribers.
10155033	Current review of claims shows member being treated appropriately with no excessive use.
10202835	Member was identified in the November, 2006 process. Current review of claims shows improvement made in use of narcotics.
10116397	Current review of claims indicates member is being treated by one main prescriber with no excessive overuse.
10339679	Member termed from coverage 3/31/07. Current review of claims shows member may be on a treatment plan for drug abuse.
10031029	Member was identified in the November, 2006 process. Review of claims shows member no longer has claims for narcotics.

10088713	Member was identified in the May, 2007 process and letters mailed to prescribers.
10344399	Current review of claims shows member appears to be on a pain contract.

Navitus has recommended that specific members be restricted to one pharmacy, but it was decided between ETF and Navitus that a second mailing would first be sent out to providers before members would be restricted to one pharmacy.

If ETF decides that they would like to have more information about these cases, Navitus would be happy to supply that information.

Again, thank you for the opportunity to participate in the audit and for sharing the results. It is great hearing that Navitus is administering the benefit for the participants of the State of Wisconsin Group Health Insurance Program at a high level of success.

Sincerely ,

Sue Hill

Sue Hill

CC: Bill Kox
Jeff Bogardus
Joseph Schauer