# Targeted Review of Drug Formularies for Commercial, Medicare, and Medicaid Health Plans in Missouri, Mississippi, and Kansas to Evaluate Utilization Management Techniques of High-Efficacy Disease-Modifying Therapies for Multiple Sclerosis





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## Introduction

- Multiple sclerosis is the most common inflammatory neurological disease in young adults, affecting an estimated 2.8 million people worldwide. 1,2
- Traditionally, relapsing multiple sclerosis has been treated by escalation from low- or moderate-efficacy disease-modifying therapies (DMTs) to high-efficacy DMTs (heDMTs). However, recent research has demonstrated that early treatment with heDMTs may improve long-term health outcomes for people with multiple sclerosis.<sup>3,4</sup>
- Utilization management (UM) techniques are used by insurers to reduce unnecessary care and control costs. However, such techniques may create access barriers to timely and clinically appropriate treatment.
- Prior authorizations (PAs): The doctor must get approval from the plan before certain drugs will be covered.
- Step edits (SEs): One or more prerequisite drugs must be tried before a step therapy drug is covered.

# Objective

• The purpose of this study was to identify UM techniques reflected in formularies by state and drug for the five available heDMTs in commercial, Medicare, and Medicaid plans in Missouri (MO), Mississippi (MS), and Kansas (KS).

# Methods

## • Scope:

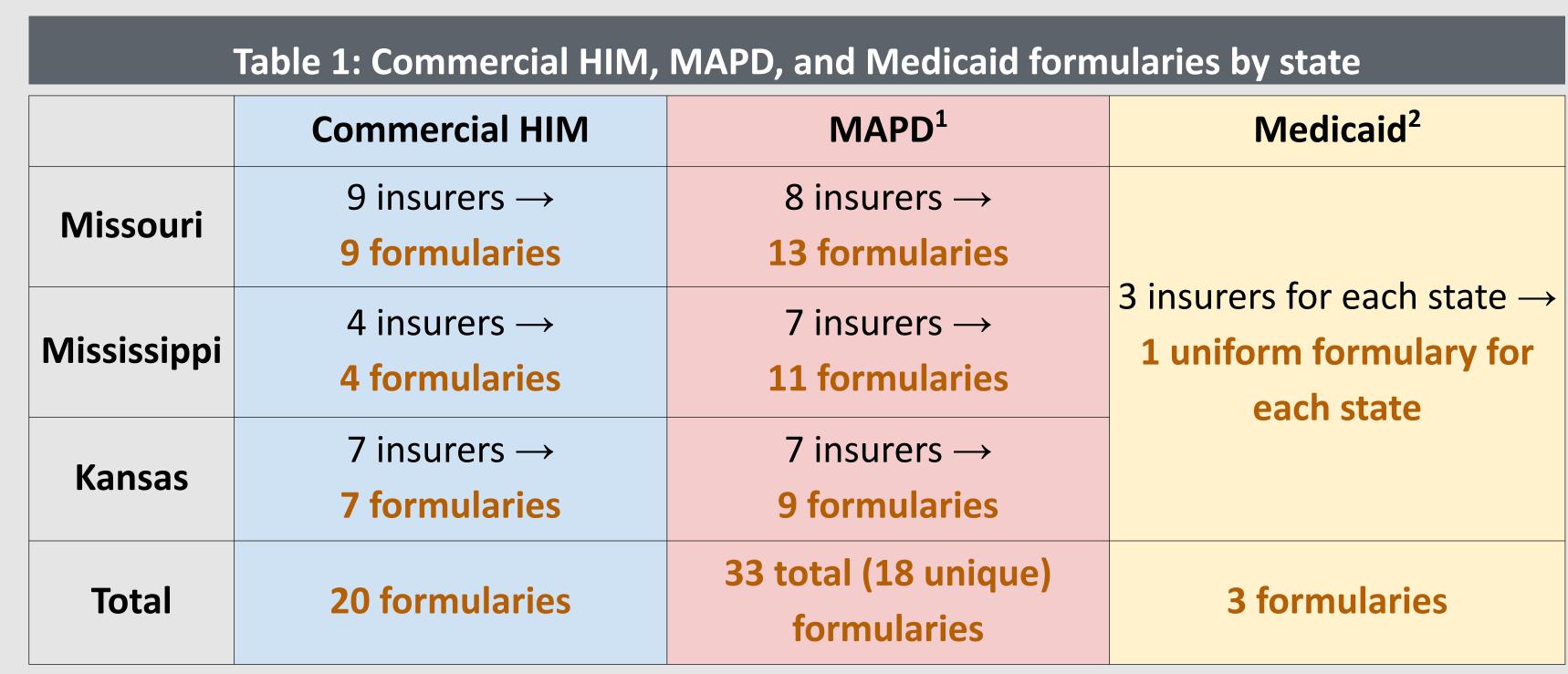
- Formularies for plans in MO, MS, and KS were from the 2022 enrollment year.
- Inclusion criteria and data source:
- Commercial formularies for individuals purchasing within the Health Insurance Marketplace (HIM) were obtained from HealthCare.gov and the Health Insurance Exchange database.
- Medicare Advantage Part D (MAPD) formularies were found at CMS.gov.
   Medicaid professed drug lists (RDLs) were found on each respective state's
- Medicaid preferred drug lists (PDLs) were found on each respective state's website.
- Each formulary/PDL (hereafter, formularies) was reviewed for coverage of heDMTs and implementation of UM techniques, including PAs and SEs.
- The heDMTs included alemtuzumab, cladribine, natalizumab, ocrelizumab, and ofatumumab.
- Key variables:
- Name of insurer and plan
- Name of covered heDMT
- UM techniques (PAs and SEs) used
- The key variables from the commercial HIM, MAPD, and Medicaid formularies were documented and analyzed using Microsoft Excel.

## Disclosures

C Geiger is an employee of Genentech, Inc., and a shareholder of F. Hoffman-La Roche Ltd.

N Bonine is an employee of Genentech, Inc., and a shareholder of F. Hoffman-La Roche Ltd.

# Results

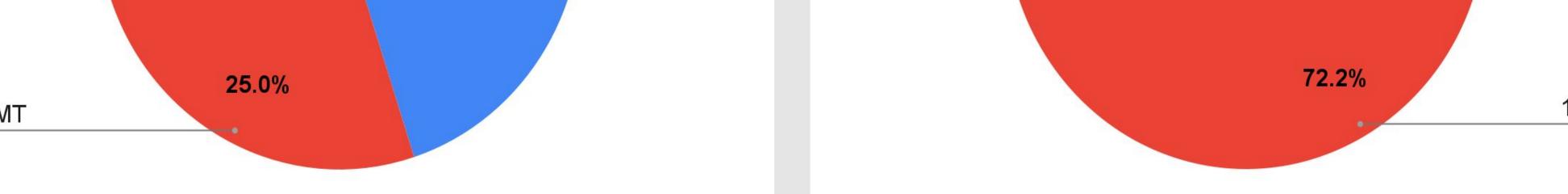


- A total of 56 formularies, with 41 unique formularies across the three states, were identified (**Table 1**).
- Nine of 20 (45.0%) commercial HIM formularies and one of 18 (5.6%) unique MAPD formularies in MO, MS, and KS did not cover any heDMTs (**Figures 1-2**).
- Of the 41 total unique commercial HIM, MAPD, and Medicaid formularies across MO, MS, and KS, there were 31 that covered at least one heDMT (**Figures 1-3**).
- The Medicaid formularies for MO, MS, and KS covered all five heDMTs and PAs were required for all of them (**Figure 3**).
- For commercial HIM and MAPD formularies, SEs were not found to be UM techniques for heDMTs in MO, MS, and KS; however, PAs were required for heDMTs in all but three of the formularies that covered at least one heDMT (Figures 4-5).
- In Medicaid, SEs were required for all heDMTs in MO and MS but not KS formularies (**Figure 6**).
- 1. For MAPD, a total of six formularies were shared among all three states and one formularies and 56 total formularies if double counting shared formularies.
- 2. In MO, MS, and KS, all people enrolled in Medicaid are part of either fee-for-service (FFS) Medicaid and MMC plans. All three states utilize a uniform PDL that applies to all people in both FFS Medicaid and MMC plans.

Figure 2: MAPD formulary coverage of heDMTs

# Figure 1: Commercial HIM formulary coverage of heDMTs 10.0% 3 heDMTs 10.0% 2 heDMTs 10.0% 1 heDMT 25.0%

Figure 1: There were 20 commercial HIM formularies in MO, MS, and KS.



4 heDMTs

3 heDMTs

2 heDMTs

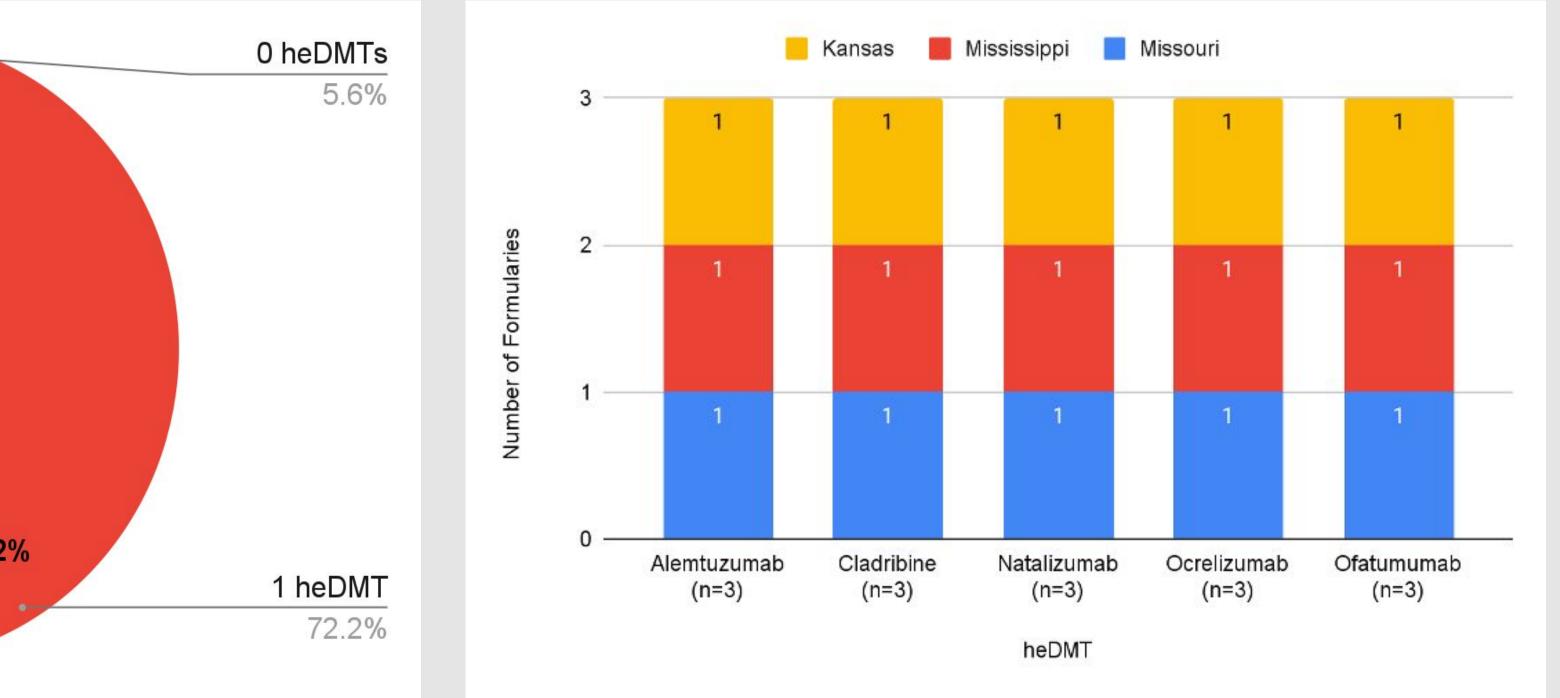
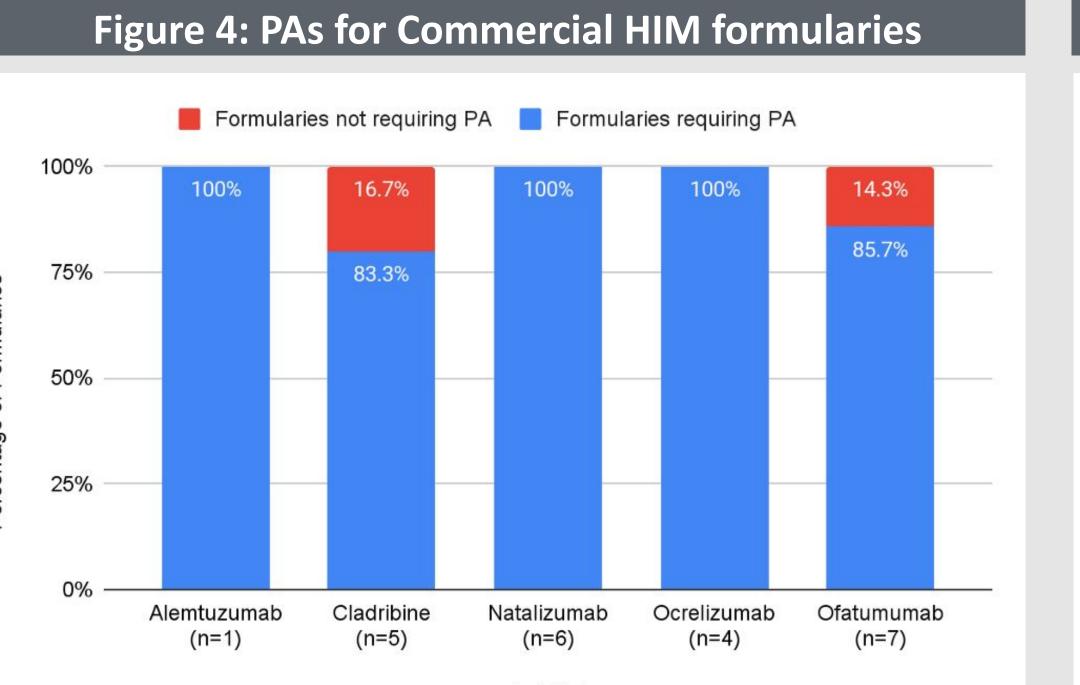
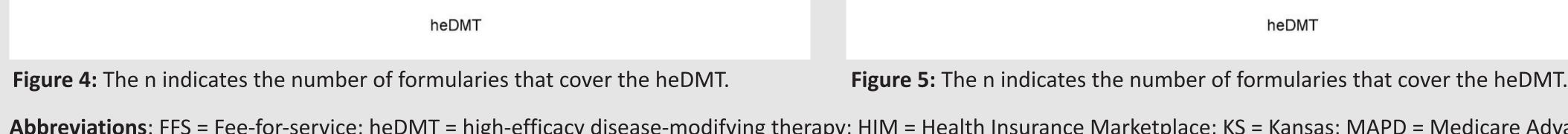


Figure 3: The n indicates the number of formularies that cover the heDMT.





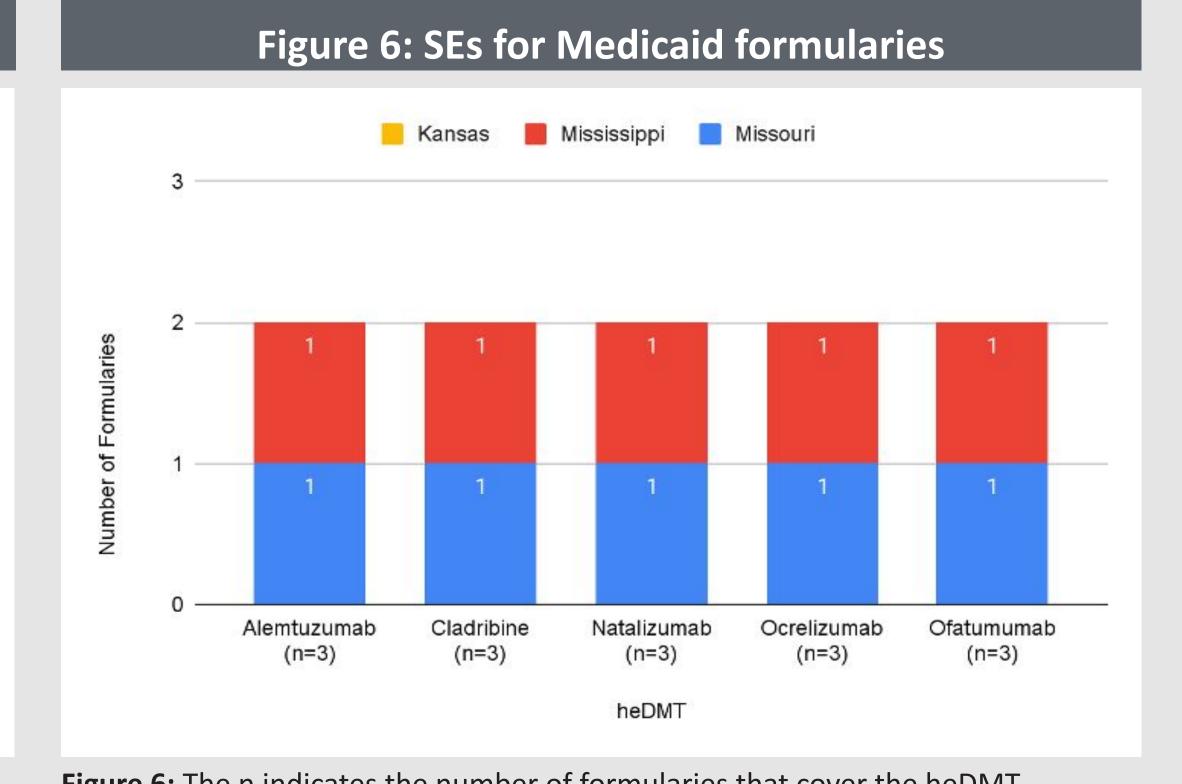


Figure 3: PAs for Medicaid formularies

Figure 6: The n indicates the number of formularies that cover the heDMT.

**Abbreviations**: FFS = Fee-for-service; heDMT = high-efficacy disease-modifying therapy; HIM = Health Insurance Marketplace; KS = Kansas; MAPD = Medicare Advantage Part D; MO = Missouri; MS = Mississippi; PDL = Preferred drug list; PA = Prior authorization; SE = Step edit; UM = Utilization Management.

Figure 2: There were 18 unique MAPD formularies in MO, MS, and KS.

Figure 5: PAs for MAPD formularies

Formularies not requiring PA Formularies requiring PA

# Limitations

- Formularies from MO, MS, and KS may not be representative of the entire country in terms of UM techniques for heDMTs.
- Formularies did not disclose reasons for requiring UM techniques for heDMTs.
- Results were not weighted based on the varying number of people with multiple sclerosis enrolled in each plan.
- For commercial insurance, only HIM plans for individuals purchasing within the individual marketplace were studied. Thus, this study does not include employer-sponsored insurance and only represents a small fraction of commercial plans.
- For Medicare insurance, only MAPD plans, which include coverage of both Part B and D prescription drugs were included. Therefore, the results are not generalizable to the majority of people enrolled in Medicare's traditional FFS program.
- Our study focused only on heDMTs; however, UM techniques for low- and moderate-efficacy DMTs may be different.

### Discussion

- The results from this study show that UM techniques, such as PAs and SEs, used by health plans for heDMTs, vary by plan type (commercial HIM, MAPD, and Medicaid) and by state (MO, MS, and KS).
- Commercial HIM formularies had less coverage of heDMTs compared to MAPD and Medicaid formularies in MO, MS, and KS.
- While UM techniques are used by insurers to reduce unnecessary costs, they may also create access barriers for treatments that have better efficacy. Reduced access to heDMTs may negatively impact long-term clinical and economic outcomes.<sup>5</sup>
- Further research should be conducted to understand the overall landscape of the use of UM techniques, not only for heDMTs, but also moderate- and low-efficacy DMTs.

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