

**Updates and clarifications to KHPA's 2008 Medicaid Transformation Plan
March 25, 2009**

1. KHPA would like to reiterate that the numbers of children of various ages reported to be using selected types of mental health medications in the original text of Chapter 9 reflected fee-for-service reimbursements only (see page 126). Subsequent information received from KHPA's HealthWave managed care organizations, who serve approximately 160,000 Medicaid and SCHIP beneficiaries, allows us to provide additional information that reflects the entire Medicaid and SCHIP population. This information is now included in the updated report:
 - Approximately 4% of beneficiaries under age 18 were prescribed an atypical antipsychotic in SFY 2008.
 - 1.2% of beneficiaries under the age of 5 (including some less than 1 year old) were prescribed a psychotherapeutic medication in SFY 2008.
 - 0.5% of beneficiaries under the age of 5 were prescribed an atypical antipsychotic, even though no atypical antipsychotic is FDA approved for use in children under 5 years old for any indication.
2. In response to comments from the Kansas Independent Pharmacy Service Corporation and the Kansas Pharmacists Association, we are clarifying that the profits reported on page 115 refer to gross profits on ingredient costs of each claim. Calculation of total net profit on each dispensed claim would require additional information on operating costs at each pharmacy, and would also include the additional revenue received from Medicaid for the dispensation of the drug.
3. Page 126 of the Pharmacy Service review incorrectly reported the estimate of Medicaid fee for service beneficiaries under age 18. This value is approximately 50,000. Consequently, the percentage of fee-for-service beneficiaries under age 18 using an atypical antipsychotic is 12%.