

State of Kansas

Department of Health and Environment

Division of Health Care Finance

Notice of Hearing on Proposed Administrative Regulations

A public hearing will be conducted at 9 a.m. on March 17, 2015 in Room 900-N of the Landon State Office Building, 900 S.W. Jackson, Topeka, to consider the proposed permanent amendment to K.A.R. 129-5-1 concerning prior authorization for pharmaceuticals used in the Kansas Medicaid and the Children's Health Insurance Programs administered by the Division of Health Care Finance, Kansas Department of Health and Environment.

Chapter 187, 2005 Session Laws of Kansas transferred specific powers, duties and regulatory authority from the Department of Social and Rehabilitation Services to the Division of Health Policy and Finance (DHPF) within the Department of Administration, and then transferred those powers, duties and regulatory authority to the Kansas Health Policy Authority (KHPA), effective July 1, 2006. Executive Reorganization Order (ERO) No. 38 transferred those powers, duties and regulatory authority to the Kansas Department of Health and Environment, Division of Health Care Finance. ERO 38 provides that KDHE will be the single state agency for Medicaid, Medikan, and Children's Health Insurance Programs in Kansas effective July 1, 2011.

This 30-day notice of the public hearing shall constitute a public comment period for the proposed regulations as stated in K.S.A. 2014 Supp. 77-421(a)(3). All interested parties may submit written comments before the hearing to Kim Tjelmeland, KDHE, Division of Health Care Finance, Room 900-N, Landon State Office Building, 900 S.W. Jackson, Topeka, 66612-1220, or by email at KTjelmeland@kdheks.gov. The Division of Health Care Finance will give all interested parties a reasonable opportunity to present their views at the hearing, but it may be necessary to request each participant to limit any oral presentation to five minutes.

A copy of the regulations and the economic impact statements may be obtained by contacting Kim Tjelmeland at 785-291-3810 or from the DHCF website at www.kdheks.gov.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations and economic impact statements in an accessible format. Requests for accommodation should be made at least five working days before the hearing by contacting Kim Tjelmeland at 785-291-3810 or by calling the Kansas Relay Center at 800-766-3777.

A summary of the amendments to the regulation and the economic impacts follows:

Proposed Amended Regulation: K.A.R. 129-5-1. Prior Authorization. Prior authorization is a pre-approval process that allows the Medicaid agency to review requests for services, medical items, or pharmaceuticals. For pharmaceuticals, the agency reviews the request for safety, off-label use, abuse potential, cost effectiveness, and/or clinical appropriateness. The following drugs are being added to the current list of pharmaceuticals subject to prior authorization:

- Angiotensin II receptor antagonists: irbesartan, irbesartan-HCTZ, telmisartan, telmisartan-HCTZ
- Anticholinergic urinary incontinence drugs: tolterodine, tolterodine ER
- Fibric acid derivatives: Fenoglide®, Tricor®, Triglide®, Trilipix®
- Intranasal corticosteroids: triamcinolone, budesonide
- Dipeptidyl peptidase IV inhibitors: alogliptin, linagliptin
- Narcotics: morphine/naltrexone, hydromorphone HCL ER, morphine sulfate ER, tapentadol, oxymorphone, tramadol ER, hydrocodone bitartrate ER
- HMG-CoA reductase inhibitors: rosuvastatin
- Nonsedating antihistamines: loratadine
- Triptans: naratriptan
- Antidiabetic drugs: canagliflozin, dapagliflozin, empagliflozin, dulaglutide
- Ophthalmic antihistamine/mast cell stabilizer combinations: bepotastine, epinastine, alcaftadine, azelastine
- Inhaled tobramycin products: Tobi Podhaler®
- Oral mesalamine products: mesalamine DR, mesalamine ER
- Pancreatic enzyme replacement products: pancrelipase
- Adjunct anti-epileptic drugs: vigabatrin
- Antiemetics: dronabinol

- Antirheumatics: apremilast
- Drugs for the treatment of obesity: naltrexone-bupropion
- Hypnotics: tasimelteon
- Topical immunomodulators: Restasis[®]
- Hematopoietic agents: filgrastim, oprelvekin, pegfilgrastim, romiplostim, sargramostim
- Anti-hepatitis C virus agents: ledipasvir-sofosbuvir, ombitasvir-paritaprevir-ritonavir-dasabuvir
- Testosterone agents: Vogelxo[®], Natesto[®], testosterone powder
- Multiple Sclerosis agents: alemtuzumab
- Alpha-1 proteinase inhibitors: Aralast NP[®], Glassia[®], Prolastin C[®], Zemaira[®]
- Enzyme replacement therapy: eliglustat, imiglucerase, taliglucerase alfa, velaglucerase alfa
- Cholesterol absorption inhibitor: ezetimibe
- Gonadotropin-releasing hormone agonist: leuprolide
- Constipation agents: linaclotide, lubiprostone
- Idiopathic pulmonary fibrosis agents: nintedanib, pirfenidone

Federal Mandate: There are no federal mandates.

Economic Impact: It is expected that these changes will reduce Medicaid expenditures by \$862,879.05 SGF and \$1,126,696.82 FFP annually.

Bearer of Costs: There will no additional costs to the Medicaid recipients or to other governmental agencies for the cost of review. DHCF/KDHE and the KanCare Managed Care Organizations will bear the cost of review.

Affected Parties: Medicaid consumers, pharmacists, prescribers, and the Medicaid agency and its contractors.

Other Methods: There were no other appropriate methods for the desired outcome.

Mike Randol, Director
Division of Health Care Finance