

ECONOMIC IMPACT STATEMENT

Regulation Number: 129-5-1

Regulation Name: Prior Authorization

Summary of Proposed Changes: The following changes will be made to regulation 129-5-1 regarding prior authorization of pharmaceutical products:

These therapeutic classes of drugs have been evaluated by the Preferred Drug List Advisory Committee and found to be clinically equivalent to agents within their respective drug classes. To ensure the most clinically appropriate utilization of these drugs in the most cost-effective manner, the following drugs will require 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, oxycodone, tramadol ER, hydrocodone bitartrate ER
- HMG-CoA reductase inhibitors: rosuvastatin
- Nonsedating antihistamines: loratadine
- Triptans: naratriptan
- Antidiabetic drugs: canagliflozin, dapagliflozin, empagliflozin
- 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

The following drugs will require prior authorization to ensure appropriate utilization because of safety issues, potential for off-label use, abuse potential, cost effectiveness, and/or clinical appropriateness:

- Adjunct anti-epileptic drugs: vigabatrin
- Antiemetics: dronabinol
- Antirheumatics: apremilast
- Drugs for the treatment of obesity: naltrexone-bupropion
- Antidiabetic drugs: dulaglutide
- 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: This regulation change is not federally mandated.

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 Cost: The cost of reviewing Prior Authorization will be borne by DHCF and the contracted KanCare Managed Care Organizations. If a Medicaid consumer wishes to have a drug despite a PA denial the cost will be borne by the consumer.

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

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