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Omnipod 5 / Medicaid Pharmacy Benefit

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Vendor Drug Program



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Introduction

- Pharmacy Benefit Overview
- State Plan Amendment
- Omnipod 5
- Next Steps

Pharmacy Benefit Overview

- The Vendor Drug Program (VDP) provides access to covered outpatient drugs for individuals enrolled in –
 - Medicaid, Children Health Insurance Program (CHIP), and other state programs
- VDP manages the formulary for fee for service and managed care.
- The formulary includes:
 - Brand, generic, and over-the-counter drugs
 - Vitamin and mineral products
 - Flu and COVID vaccinations
 - A limited set of home health supplies



State Plan Amendment

- VDP sought approval to cover certain non-drugs on the formulary through a state plan amendment (SPA) submitted to the Centers for Medicare and Medicaid Services (CMS).
- CMS approved the SPA on Feb. 13, 2024.
- The approval allows VDP to:
 - Add certain non-drugs to the formulary so that Medicaid and CHIP members may obtain these non-drugs from a pharmacy.
 - Coverage is limited to items which are only available through a pharmacy or compliment the prescription drug benefit



Omnipod 5

- An example of a non-drug is Omnipod 5.
- Following SPA approval, VDP added Omnipod 5 to the formulary on March 4, 2024.
 - Covered individuals in Medicaid and CHIP can obtain the Omnipod 5 intro kit and pods.
 - Prior authorization is not currently required.



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Next Steps

- HHSC developed a draft Non-Drug Addition Process.
- Going forward, all non-drugs must go through this process before VDP can add them to the formulary.



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Questions?

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Continuous Glucose Monitoring Medicaid Updates

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Introduction

- Policy Updates
 - Continuous Glucose Monitoring (CGM)
 - Diabetic Equipment and Supplies (DME Handbook)
- HB 2658 87th (R) Study regarding cost effectiveness/feasibility and possible LBB approval to potentially develop:
 - Diabetes Self-Management Education and Support (DSMES)
 - Medical Nutrition Therapy (MNT)
- \$75K CGM Grant Update: Center for Health Care Strategies

Policy Updates: CGM & Diabetes Equipment and Supplies

- Updates align with
 - ADA Jan. 2023 Guidelines
 - CMS April 2023 Updates
 - AACE Clinical Practice Guidelines on the Use of Advanced Technology in the Management of Persons with Diabetes Mellitus (2021)



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CGM & Diabetes Equipment and Supplies

- Implementation:
 - Feb. 1, 2024
- CGM and DME Benefit
 - Eliminating:
 - Minimal number of daily insulin injections
 - Minimal number of daily self-blood glucose monitoring tests



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CGM & Diabetes Equipment and Supplies

- Both policies updated Feb. 1, 2024
- Aligned with CMS April 2023 updates and added new criteria for CGM benefit for non-insulin treated people with diabetes
- Updated inclusive language:
 - “Client’s treating practitioner” from “physician”
 - “Insulin administrations” from “insulin injections”



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Diabetes Equipment and Supplies

- Implementation March 1, 2024
- DME Certification Form Updates
 - Eliminating requirement to submit make and model of CGM
 - Removes burdensome task from provider
- Updating Policy CGM Terminology throughout
 - Substituting new language:
 - Non-adjunctive for therapeutic
 - Adjunctive for non-therapeutic



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HB 2658 87th (R) Section 10

- Diabetes Self-Management Education & Support (DSMES) and Medical Nutrition Therapy (MNT)
- Legislation requires:
 - Cost-Effectiveness and Feasibility Study
 - Projected increased health outcomes and increased healthcare savings for:
 - Diabetes Self-Management Education and Support (DSMES)
 - Medical Nutrition Therapy (MNT)
- Implementation would require Legislative Budget Board approval



CGM Access Accelerator Grant Update

- \$75,000 Grant from Center for Health Care Strategies (CHCS)
- Increase CGM Access in Texas Medicaid:
 - Work towards expanding CGM to a pharmacy benefit.
 - Implement strategies to overcome barriers to CGM use.
 - Discern financial implications of CGM coverage expansion through pharmacy.





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Summary for Q&A

- Policy Updates CGM and Diabetes Equipment and Supplies
- HB 2658 87th (R) Section 10 Mandated Cost Effectiveness & Feasibility Study for DSMES and MNT
- CHCS CGM Grant



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Questions?

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