ACTION: Original

DATE: 06/10/2014 12:11 PM

MEMORANDUM

TO: Tom Sico, Bureau of Workers' Compensation

FROM: Paula Steele, Regulatory Policy Advocate

DATE: June 5, 2014

RE: **CSI Review – Outpatient Medication Formulary (OAC 4123-6-21.3, Appendix A)**

On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

Analysis

The draft rule outlines the administrative process for the adoption of and revisions to the Bureau of Workers' Compensation's medication formulary listed in Appendix A of the draft rule. Appendix A lists drugs permitted for reimbursement when prescribed to treat injuries allowed in a claim. Prescribers are limited to the medications and any restrictions described in the formulary. The Outpatient Medication Formulary is reviewed and updated on a frequent basis. The CSI Office completed reviews of previous versions in May 2012, January 2013, and September 2013 and did not issue any recommendations for the proposed rule packages.

This rule package was submitted to the CSI Office on May 19, 2014, and the comment period closed on June 2, 2014. No comments were received during the public comment period.

Rule 4123-6-21.3 is being proposed with only an updated effective date from January 1, 2014 to September 1, 2014. Appendix A includes proposed changes that add reimbursement for specific sustained release gabapentin agents and for ziconotide; allows reimbursement for treatment with transdermal forms of the drugs Fentanyl and Buprenorphine under certain circumstances; limits

reimbursements of testosterone products and buprenorphine patches; limits coverage for prescriptions of Fentanyl patches and all formulary products containing acetaminophen; and finally, revises language to clarify coverage of proton pump inhibitor drug class products.

The initial rule and appendix were created in 2011 by a committee of health care professionals who worked with the Bureau and developed the formulary and appendix through research and review of medical literature, utilization rates, and industry best practices. For this update, the Bureau emailed the proposed changes to a comprehensive list of stakeholders. According to the BIA, the Bureau responded to all the initial stakeholder feedback which was primarily to seek clarification of the formulary. The specific stakeholder feedback is detailed in the BIA.

After reviewing the proposed rule, appendix, and the BIA, the CSI Office has determined that the rule satisfactorily meets the standards espoused by the CSI Office, and the purpose of the rule justifies the adverse impact identified in the BIA.

Recommendations

For the reasons explained above this office does not have any recommendations regarding this rule.

Conclusion

Based on the above comments, the CSI Office concludes that the Bureau should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

cc: Stephen Buehrer, Administrator/CEO, Ohio Bureau of Workers' Compensation
Mark Hamlin, Lt. Governor's Office