Ohio | Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Carrie Kuruc, Director

MEMORANDUM

TO: Aniko Nagy, Ohio Bureau of Workers' Compensation

FROM: Danielle Dillard, Regulatory Policy Advocate

DATE: March 15, 2019

RE: **CSI Review – Outpatient Medical Formulary Rule OAC 4123-6-21.3**

On behalf of Lt. Governor Jon Husted, 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

This rule package consists of one amended rule submitted by the Ohio Bureau of Workers' Compensation (Bureau). The rule package was submitted to the CSI Office on February 13, 2019 and the comment period remained open until March 7, 2019. One comment was received during this time.

The rule establishes an outpatient medication formulary containing the list of drugs approved for reimbursement when prescribed to treat various conditions allowed in a workers' compensation claim. The formulary is maintained by the Bureau with input from its Pharmacy and Therapeutics Committee. The rule is being amended to remove OxyContin and its generic version from the formulary, add Xtampza ER as a tier two sustained release opioid with limitations, and implement tiered coverage for Lyrica and gabapentin under specific criteria. The Bureau notes that it removes and limits certain medications based on Federal Drug Administration recommendations, current clinical literature and best medical practices.

As part of early stakeholder outreach the Bureau notified interested parties of the proposed revisions and requested feedback. Stakeholders included managed care organizations, employer

organizations, and the Bureau's internal distribution lists for third-party administrators, self-insured employers, and internal medical providers. It did not receive any feedback from stakeholders during the early outreach period. One comment was received during the CSI comment period. A physician noted general support for the amendments and inquired about the future pricing of Lyrica once there is a generic version available, asking whether the Bureau would revisit the pricing of the drug at that time. The Bureau stated that once the generic medication becomes available its Pharmacy and Therapeutics Committee will implement price tiering.

The rules impact Bureau providers and network pharmacies enrolled with the Bureau that dispense prescriptions. Impacted entities must utilize formulary medications and comply with the instructions outlined in the formulary when prescribing or dispensing medications involved in workers' compensation claims that they wish to be reimbursed for. Non-formulary drugs may be prescribed for injured workers, but they will not be eligible for reimbursement by the Bureau. The Bureau does not anticipate any additional impacts to result from the amendments. It justifies the rule as necessary to provide prescribers and providers with complete information about medications approved for reimbursement and the restrictions or limitations placed on those medications.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that the Bureau should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.