Revision: HCFA-PM-93-3 (MB)
April 1993

State/Territory: Arizona

Citation

1927(g) 4.26 Drug Utilization Review Program
42 CFR 456.700

A.1. The Medicaid agency meets the requirements of Section 1927(g) of the Act for a drug use review (DUR) program for outpatient drug claims.

1927(g)(1)(A) 2. The DUR program assures that prescriptions for outpatient drugs are:

-Appropriate
-Medically necessary
-Are not likely to result in adverse medical results

1927(g)(1)(A)
42 CFR 456.705(b) and
456.709(b) B. The DUR program is designed to educate physicians and pharmacists to identify and reduce the frequency of patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and patients or associated with specific drugs as well as:

-Potential and actual adverse drug reactions
-Therapeutic appropriateness
-Overutilization and underutilization
-Appropriate use of generic products
-Therapeutic duplication
-Drug disease contraindications
-Drug-drug interactions
-Incorrect drug dosage or duration of drug treatment
-Drug-allergy interactions
-Clinical abuse/misuse

1927(g)(1)(B)
42 CFR 456.703
(d)and(f) C. The DUR program shall assess data use against predetermined standards whose source materials for their development are consistent with peer-reviewed medical literature which has been critically reviewed by unbiased independent experts and the following compendia:

-American Hospital Formulary Service Drug Information
-United States Pharmacopeia-Drug Information
-American Medical Association Drug Evaluations

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1927(g)(1)(D)
42 CFR 456.703(b)

D. DUR is not required for drugs dispensed to residents of nursing facilities that are in compliance with drug regimen review procedures set forth in 42 CFR 483.60. The State has never-the-less chosen to include nursing home drugs in:

___ Prospective DUR
___ Retrospective DUR.

1927(g)(2)(A)
42 CFR 456.705(b)

E.1. The DUR program includes prospective review of drug therapy at the point of sale or point of distribution before each prescription is filled or delivered to the Medicaid recipient.

1927(g)(2)(A)(i)
42 CFR 456.705(b), (1)-(7))

2. Prospective DUR includes screening each prescription filled or delivered to an individual receiving benefits for potential drug therapy problems due to:

-Therapeutic duplication
-Drug-disease contraindications
-Drug-drug interactions
-Drug-interactions with non-prescription or over-the-counter drugs
-Incorrect drug dosage or duration of drug treatment
-Drug allergy interactions
-Clinical abuse/misuse

1927(g)(2)(A)(ii)
42 CFR 456.705 (c) and (d)

3. Prospective DUR includes counseling for Medicaid recipients based on standards established by State law and maintenance of patient profiles.

1927(g)(2)(B)
42 CFR 456.709(a)

F.1. The DUR program includes retrospective DUR through its mechanized drug claims processing and information retrieval system or otherwise which undertakes ongoing periodic examination of claims data and other records to identify:

-Patterns of fraud and abuse
-Gross overuse
-Inappropriate or medically unnecessary care among physicians, pharmacists, Medicaid recipients, or associated with specific drugs or groups of drugs.

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1927(g)(2)(C)
42 CFR 456.709(b)

F.2. The DUR program assesses data on drug use against explicit predetermined standards including but not limited to monitoring for:

-Therapeutic appropriateness
-Overutilization and underutilization
-Appropriate use of generic products
-Therapeutic duplication
-Drug-disease contraindications
-Drug-drug interactions
-Incorrect drug dosage/duration of drug treatment
-Clinical abuse/misuse

1927(g)(2)(D)
42 CFR 456.711

3. The DUR program through its State DUR Board, using data provided by the Board, provides for active and ongoing educational outreach programs to educate practitioners on common drug therapy problems to improve prescribing and dispensing practices.

1927(g)(3)(A)
42 CFR 456.716(a)

G.1. The DUR program has established a State DUR Board either:

___ Directly, or
___ Under contract with a private organization

1927(g)(3)(B)
42 CFR 456.716
(A) AND (B)

2. The DUR Board membership includes health professionals (one-third licensed actively practicing pharmacists and one-third but no more than 51 percent licensed and actively practicing physicians) with knowledge and experience in one or more of the following:

- Clinically appropriate prescribing of covered outpatient drugs.
- Clinically appropriate dispensing and monitoring of covered outpatient drugs.
- Drug use review, evaluation and intervention.
- Medical quality assurance.

1927(g)(3)(C)
42 CFR 456.716(d)

3. The activities of the DUR Board include:

- Retrospective DUR,
- Application of Standards as defined in section 1927(g)(2)(C), and
- Ongoing interventions for physicians and pharmacists targeted toward therapy problems or individuals identified in the course of retrospective DUR.

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1927(g)(3)(C) 42 CFR 456.711 (a)-(d)		G.4	The interventions include in appropriate instances: - Information dissemination - Written, oral, and electronic reminders - Face-to-Face discussions - Intensified monitoring/review of prescribers/dispensers
1927(g)(3)(D) 42 CFR 456.712 (A) and (B)		H.	The State assures that it will prepare and submit an annual report to the Secretary, which incorporates a report from the State DUR Board, and that the State will adhere to the plans, steps, procedures as described in the report.
1927(h)(1) 42 CFR 456.722	___	I.1.	The State establishes, as its principal means of processing claims for covered outpatient drugs under this title, a point-of-sale electronic claims management system to perform on-line: - real time eligibility verification - claims data capture - adjudication of claims - assistance to pharmacists, etc. applying for and receiving payment.
1927(g)(2)(A)(i) 42 CFR 456.705(b)	___	2.	Prospective DUR is performed using an electronic point of sale drug claims processing system.

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1927(j)(2)
42 CFR 456.703(c)

J. Hospitals which dispense covered outpatient drugs are exempted from the drug utilization review requirements of this section when facilities use drug formulary systems and bill the Medicaid program no more than the hospital's purchasing cost for such covered outpatient drugs.

1927(g)

K. AHCCCS will participate in the drug rebate program for the fee-for-service program.

1903(m)(2)(A)

L. AHCCCS will participate in the drug rebate program for its managed care program.

M. AHCCCS will contract with pharmaceutical manufacturers and collect supplemental drug rebates for the fee-for-service program. The State Supplemental Rebate Agreement was submitted to CMS on March 5, 2015.

N. AHCCCS will contract with pharmaceutical manufacturers and collect supplemental drug rebates for its managed care program. The State Supplemental Rebate Agreement was submitted to CMS on March 5, 2015.

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The State is in compliance with the new drug review and utilization requirements set forth in section 1902(oo) of the Act, as follows:

1902(a)(85) and Section 1004 of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (SUPPORT Act)

1. Claim Review Requirements

a. The following Safety Edits have been implemented at the Point-of-Sale including Early, Dosage, Duplicate, and Quantity Limits:

i. The state has implemented the following prospective opioid safety edits:

(1) Quantity limits, including days' supply limits:

(2) Length of therapy limits:

(3) Refill frequency (percent to refill) limits;

(4) Duplicate fills; and

(5) Maximum Morphine Milligram Equivalents (MME) per Day Limits.

ii. The state has implemented the following retrospective opioid safety reviews:

(1) Quantity limits, including days' supply limits;

(2) Length of therapy limits;

(3) Refill frequency (percent utilized to refill) limits:

(4) Duplicate fills: and

(5) Maximum MME/ Day reviews.

2. Concurrent Utilization Alerts

a. Opioid and Benzodiazepines Current Fill Reviews
   i. The state has implemented and monitors results of Point-of-Sale alerts for concomitant use of opioids and benzodiazepines.

b. Opioid and Antipsychotic Concurrent Fill Reviews
   i. The state has implemented and monitors results of Point-of-Sale alerts for concomitant use of opioids and antipsychotics.

c. Opioid and Antipsychotic and Benzodiazepine Current Fill Reviews

(i)The state has implemented and monitors results of Point-of- Sale alerts for concomitant use of opioids with an Antipsychotic and a Benzodiazepine.

3. Program to Monitor Antipsychotic Medication Use by Children

a. The state has implemented and monitors the following:
   i. Age restrictions;
   ii. Quantity limits;
   iii. Prior authorization for duplicate therapy; and
   iv. Medication use in Foster Children.

4. Fraud, Waste and Abuse Identification.

a. The State has implemented policy requirements and monitors the results including but not limited to the following:
   i. Number of opioid prescribers per member;
   ii. Number of pharmacies utilized per member for opioid fills;
   iii. Prior authorization requirements for long acting opioids;
   iv. Controlled Substances Prescription Monitoring Program, the State's PDMP, review for all prior authorization requests for opioids; and
   v. Controlled and Non-Controlled Utilization including the following:

      1. Atypical Antipsychotics;
      2. Benzodiazepines;
      3. Hypnotics;
      4. Muscle Relaxants;
      5. Opioids
      6. Stimulants; and
      7. Others as identified.