

# Medi-Cal Rx Pharmacy Transition RFP Concerns and Questions September 17, 2019



## Background: Executive Order, Pharmacy Transition and Final RFP

- The Executive Order directs the Department of Health Care Services (DHCS) to transition all pharmacy services from Medi-Cal Managed Care to fee-for-service (FFS) by January 2021.
- In July 2019 DHCS released a draft Request for Proposal (RFP) for the administration of Medi-Cal pharmacy benefits and services (Medi-Cal Rx). The final RFP was released on August 22, 2019.

## Guaranteeing Quality Care: Health Center Questions & Concerns with the Final RFP

As long time providers to the Medi-Cal program, we are committed to guaranteeing that all Medi-Cal beneficiaries, including the 1 in 3 receiving care at California's community health centers (CHC), continue to receive quality care through the Medi-Cal pharmacy transition. In order to be successful in our endeavors, the concerns outlined below must be addressed:

- Provider Relations:
  - While the RFP requires 6 weeks of provider training, given the large number of Medi-Cal providers, we do not believe this is a sufficient amount of time to properly train providers and request a more thoughtful training commitment.
  - Communication is critical for timely access to medications. Requirements must be determined for regular and consistent notifications between provider and administrator for approvals, denials, recalls, appeal and grievances determinations, prior authorization notifications, clinical management changes (guidelines), and drug utilization review.
- Preparing for Operational Changes:
  - All Medi-Cal providers, including CHCs, will need to make operational changes. DHCS and the new pharmacy benefit administrator must be available and committed to technical assistance to support the provider community.
  - CHCs rely on a network of pharmacies and fair and equitable treatment of our pharmacy partners must be guaranteed.
  - The RFP offers limited guidance on how vendors are expected to interact with providers, greater guidance is needed, especially as it relates to future contracting and rate determination.
  - DHCS' 90 days implementation timeline is unrealistic. A longer timeline must be created that better accounts for operational changes for all Medi-Cal providers.
- Specialty Care:
  - The most vulnerable patients, those suffering from the most complex conditions, are the most at risk in this transition. Greater requirements for the support and coordination of benefits for those needing specialty care must be determined to avoid access issues and unnecessary hospitalizations.
  - Patient choice matters, especially for those with complex medication regimens. Options relating to mail order pharmacies, compounding pharmacies, and specialty pharmacies must be clearly articulated.
- Meeting Patient Needs:
  - DHCS must ensure processes are in place to minimize and resolve claims system issues.

- Under Medi-Cal Managed Care, beneficiaries relied on a single place to turn with concerns, DHCS must ensure that patient services are maintained and improved through the pharmacy transition.

## Health Center Ask

- CaliforniaHealth+ Advocates and community health centers support the Governor's vision to reform the health care delivery system that would lower pharmaceutical drug costs and standardize California's drug benefit, however, to help ensure no harm to patients and the health care delivery system they rely on, we request the administration:
  - Conduct an analysis to evaluate the impact of this transition to the full system of care.
  - Engage stakeholders throughout the implementation process to ensure a harmless, seamless transition.
  - Commit to ensuring there is NO financial harm to the institutions that are the backbone of Medi-Cal – including 340B covered entities, like CHCs.