

October 28, 2014

Mike Kreidler,
 Washington State Insurance Commissioner
 PO Box 40255
 Olympia, WA 98504-0255

Dear Commissioner Kreidler,

It is a pleasure to share with you the final deliverables from the OneHealthPort Pre-Authorization Work Group prepared at the direction of the legislature as stated in ESSB 6511. Pursuant to ESSB 6511 your office re-authorized OneHealthPort as the Lead Organization and charged us with assembling a work group, considering the issues raised in the bill and delivering recommendations back to your office by October 31, 2014. This letter and the attached documents fulfill the responsibilities you assigned to OneHealthPort under EESB 6511. In reviewing the deliverables it is important to understand the following context:

Scope: The focus of ESSB 6511 is “the full scope of health care services including pharmacy issues.” Because of the very tight October 31st deadline and the complexity of the pre-authorization process, it was not possible to address the full scope of health care services. OneHealthPort has previously developed Best Practice Recommendations related to the medical benefit. As such, we decided to focus our current work on the pharmacy benefit. Review of the prior medical benefit work relative to the recent findings of the work group will begin in November. Recommendations in that regard will be forthcoming.

Work Group Composition and Role: To complete our assigned tasks relative to ESSB 6511 OneHealthPort constituted a multi-disciplinary, subject matter expert workgroup representing prescribers, pharmacies and health plans. This work group operated on a consensus decision making basis and was independently facilitated. All the findings and recommendations transmitted with this letter are the complete products of this consensus process. Neither OneHealthPort nor any other outside body edited or otherwise modified the products of the work group. OneHealthPort is deeply grateful to the work group members listed below and the facilitator Bill Campbell. It was their expertise, insight and willingness to compromise for the good of the patient that resulted in a very successful outcome.

Organization	Representative(s)
Everett Clinic	Mary Guarino, Ana Shahbazian
Providence Health & Services	Benjamin Hellerstedt
Puget Sound Family Physicians	Fran Daoust
Sound Family Medicine	Deanna Velling, Jacque Coffey
University of Washington Medical Center	Phil Doherty, Blanca Pfeifer
Virginia Mason Hospital & Medical Center	Megan McIntyre
Yakima Urology	Tracy Brookes
Bartell Drugs	Billy Chow
Duvall Family Drugs	Kari VanderHouwen
Rite Aid Pharmacy	Katya Kanevski
Walgreens Pharmacy	Nick Bruck
Washington State Pharmacy Association	Jeff Rochon
Community Health Plan of Washington	Steven Zona
Cigna	Michael Imperato, Jean Wirtz
First Choice Health	Ann Lervold, Judy Denny
Group Health Cooperative	Vivien Chan
Molina Healthcare	Fasil Woldearegay
Premera Blue Cross	Mike Dutton
Regence	Jeff Griggs
Washington State Health Care Authority - Medicaid	Amy Irwin, Gail Kreiger
Washington State Labor & Industries	Jaymie Mai
Washington State Office of the Insurance Commissioner	Stacy Middleton

Process: The work group approached their task in a methodical way. Based on our extensive Admin Simp experience we have learned that in order to achieve consensus solutions it is critical to first reach consensus on the nature of the problem to be solved. The work group determined that the pharmacy benefit pre-authorization **problem** has two key dimensions:

- Starting the pre-authorization process after the patient arrives at the pharmacy rather than before the patient leaves the prescribers' office.
- Complete and accurate formulary and pre-authorization information is not consistently accessible to prescribers.

Based on these conclusions around the problem statement, the work group developed the following **solution strategy**:

- Health plans will make complete and accurate formulary/pre-authorization information and automated processes available to prescribers using health plan web sites and electronic tools.
- Prior to sending a patient to a pharmacy, prescribers will use web sites/electronic tools to determine if the medication requires a pre-authorization, if it does, the prescriber will either select an alternative medication or obtain a pre-authorization.
- Health plans will process pre-authorization requests in a timely manner. Appropriate medications that are dispensed in emergency situations while the request is being processed will be covered by the patient's benefit.

Documentation: In documenting their findings the work group prepared three different types of deliverables:

- Refinements to WACs: This single document includes those specific recommendations that the work group believes should be incorporated in the WAC pursuant to the direction of the legislature in ESSB 6511.
- Best Practice Recommendations: These detailed operationally oriented documents are designed to assist health plans, prescribers and pharmacists to implement the best practices in their organizations. Because of the operational detail involved, the scope of these recommendations goes beyond the scope of the Refinements to WACs.
- Commentary: These documents share the perspective of the work group in a more informal manner on selected issues and in summary form.

In this context the following documents are attached:

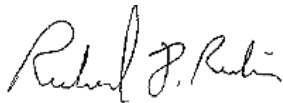
1. *Refinements to WACs related to Pre-Authorization under the Pharmacy Benefit*: Recommends specific refinements to WACs to reflect the best practice recommendations.
2. *Best Practice Recommendations – Emergency Fill and Notification Timeframes*: Recommends best practice standard timeframes and notifications for processing pre-authorization requests. It also recommends best practices for an Emergency Fill of a prescription.
3. *Best Practice Recommendations – Health Plan Web Capabilities*: Recommends best practices for using 'browser-based' capabilities to simplify and expedite the pre-authorization processes.
4. *Best Practice Recommendations – Exchanging and Processing Information about Pharmacy Benefit Management*: Recommends best practice for using electronic applications and transaction data elements in standard ways so as to expedite the communication process and increase the timeliness in which a patient's medication is available for dispensing.
5. *Direction Document - Getting to the Future State*: Envisions the ideal future state of the pre-authorization process, aligning near term recommendations with tomorrow's objective.
6. *Workgroup Perspective - Options for deeming approval...*: Outlines the workgroup's perspective that automatic approval of a pre-authorization request based solely on the expiration of a response timeframe is not advised.
7. *Ongoing Work related to Pre-Authorization under the Pharmacy Benefit*: Recommends ongoing collaborative processes and outreach efforts.

Transparency and inclusiveness: Consistent with OneHealthPort's ongoing interest in an inclusive process, we established an ESSB 6511 stakeholder group and encouraged all interested parties to join. We provided regular updates to the stakeholders and invited them to submit comments on interim deliverables to the work group prior to finalization. Relative to OneHealthPort's ongoing obligation to operate in a transparent manner, all relevant materials, including those attached to this letter will be posted to the ESSB 6511 section of our public website.

Next Steps: The work group in their document related to ongoing efforts identified the need for a collaborative process to define reasonable implementation timeframes for best practices and monitor progress. While this submission completes the required component of our work under EESB 6511, OneHealthPort remains open to further work in the pre-authorization area. In addition to our continuing work on medical pre-authorization, OneHealthPort is willing to support the collaborative efforts of committed enterprises and individuals who want to move the community forward toward best practices for pharmacy pre-authorization.

OneHealthPort welcomes the opportunity to be of service to the citizens of Washington State. We appreciate the confidence of the legislature in entrusting this work to us. We are grateful to the Washington Healthcare Forum for financially supporting this work and allowing us to deliver these results at no cost to the state or the taxpayers. Finally, we continue to enjoy our working relationship with you, your office and staff. Stacy Middleton did a great job representing your office and the public interest. Please feel free to contact me if you have any questions.

Sincerely yours:



Richard D. Rubin
President and CEO

Cc: Senate and House Health Care Committees
Pre-authorization Work Group