Ohio medicaid QUALITY MONITOR

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New Studies Focus On Enhanced Care Management

As part of Ohio Medicaid's new Enhanced Care Management (ECM) Program, the Ohio Department of Job and Family Services (ODJFS) and Permedion will conduct studies to evaluate the quality of care received by ECM members. These studies will evaluate both appropriateness of care and clinical outcomes, as well as provide information on the effectiveness of the ECM program and assurance of physician compliance with nationally accepted practice guidelines.

Baseline studies evaluating the existing quality of care and outcomes will start within the next six months. The proposed baseline study period is July 1, 2002 to June 30, 2003. The diseases to be studied are asthma (adult), asthma (pediatric), congestive heart failure, and diabetes. The studies will focus on the Aged, Blind, and Disabled group in ECM counties, with control groups drawn from non-ECM counties. Administrative data from the claims database and data collected through medical record review may be used to evaluate clinical performance measures and outcomes.

The results of the baseline studies will be applied in two ways. They will establish baseline performance measures that ODJFS can use to evaluate the success of the ECM providers and program. They will also allow ECM providers to identify the areas of concern in which care management can be the most effective.

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PERMEDION

Nursing Facilities Answer Survey on Unused Medications

The cost associated with unused medications in nursing facilities accounts for 6.7% of the total cost of medications dispensed. To remedy the waste associated with unused medications and to realize substantial cost savings, various agencies such as the American Society of Consultant Pharmacists, the American Medical Association, and the Food and Drug Administration support the return and reuse of medications. However, these agencies sanction the return and reuse of medications only if federal and state laws and regulations, payer requirements, and facility policies are met.

ODJFS and Permedion conducted a two-phase study on the disposition of unused medications in Ohio Medicaid nursing facilities. **Phase 1** was a telephone survey of nursing facility representatives' descriptions of the policies and procedures and rationale for the disposition of unused medications.

The sampling frame of **Phase 1** included 823 nursing facilities in Ohio. Simple random sampling was used to select 281 nursing facilities; 263 (93.6%) participated in the survey. Various questions were asked regarding the reasons for and categories of unused medication, the nursing facility's policies surrounding unused medication, and the pharmacy's handling of returned medications.

What are the top three reasons for unused medications at your facility?

- Patient transferred/discharged
- Medication discontinued
- Patient death

The survey found that the top three reasons for unused medications were patient transfer or discharge, discontinuation of medication, or patient death. A similar study published by the University of Massachusetts in 1996, documented very similar reasons given by nurses as to why medications were destroyed: patient death; medication discontinued; or patient hospitalized, transferred, or discharged.

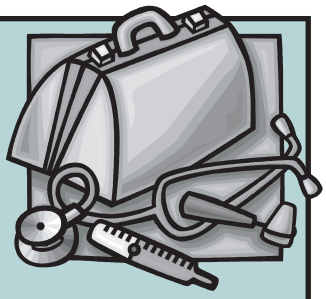
What are the top three most frequently unused medications at your facility?

- Analgesics
- Not known
- Other

Research on the most common unused medication types in nursing facilities is limited. However, several studies on the cost of drug waste indicate

Phase 1 *continued on pg. 4*

Medical Director *dialogue*



by T.J. Redington, MD
Ohio Department of Job and Family Services

To enhance Ohio's efforts to manage state budgets, ODJFS has focused on the $1.1 billion spent on Medicaid prescribed drugs. Although there are many cost saving and quality enhancing programs, I would like to mention three of the pharmacy programs.

The **Point of Sale Program** is the real-time electronic program that processes Ohio Medicaid prescription drug claims at the pharmacy and allows ODJFS to quickly approve and authorize requests for prescription drugs for consumers. Participating pharmacies have real-time access to eligibility information, drug coverage, pricing information, guidelines for drug use, and dispensing fees. The pharmacist can immediately notify the prescribing physician if prior authorization is needed, an issue with drug history is noted, or change in drug therapy is recommended.

The **Long Term Care Pharmacy Best Practices Program** establishes an inflation adjusted, monthly drug expense target for participating pharmacies. The pharmacies that keep patients' drug costs below this target share in the savings. The pharmacies use strategies such as working with physicians to promote the use of generics, eliminate unnecessary or duplicative therapy, and modifying inefficient drug regimens. The nursing facilities return appropriately packaged unused medications to the pharmacy to cut drug costs.

The Ohio Medicaid program has imposed a **$3 copayment** for prescription drugs requiring prior authorization. There is no copayment for drugs included on the Ohio Medicaid Drug List (available at http://medlist.odjfs.state.oh.us). This list is continuously revised and updated to include new drugs.

While certain state budget cuts are inevitable, access to Medicaid programs is crucial. These pharmacy programs represent some of ODJFS' efforts to implement strategies that enhance the quality of services Medicaid provides as well as ensuring they are delivered at a reasonable cost.

Further Assessment of Unused Medications

Phase 2 of the ***Disposition of Unused Medications in Nursing Facilities Study*** provided actual statistics on unused medications in Ohio nursing facilities within a one-month period. The objectives of **Phase 2** were as follows:

- to identify the quantities of unused medications,
- to identify the categories of unused medications, and
- to describe the reasons for unused medications.

Unused medications included "missed doses" not returned to the pharmacy, medication no longer prescribed for or no longer usable by the resident, and medication not needed because the resident was no longer present in the nursing facility.

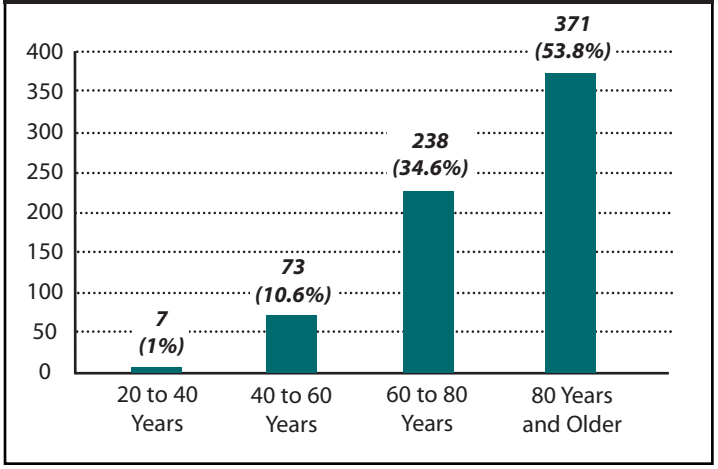
The sample population for **Phase 2** was all Ohio Medicaid nursing facility residents 18 years of age or older. From a population of 63,035 residents, a simple random sample of 960 residents was selected for detailed study.

A total of 689 resident records were available for analysis. The data from the resident records were analyzed with regard to quality indicators including medication most frequently unused, frequency of unused medications, reasons for unused medications, medications potentially eligible for re-billing, and length of time between ordered and discontinued dates.

Additional indicators measured in the analysis included resident characteristics (age, gender, race, aid categories, and major diagnostic categories), facility characteristics (number of licensed beds, for-profit/not-for-profit status, and regional peer grouping), medication characteristics (number of routinely administered and PRN medications), number of residents with unused medications, number of unused medications by facility type, and unused medications by therapeutic class.

The average age of the residents was 78.8 years, with an age range of 29 to 102 years. Women made up 73.4% of the residents.

Age group distribution



Phase 2 *continued on pg. 3*

Phase 2 *continued from p. 2*

Anticonvulsants were the most frequently unused medication therapeutic class based on number of units unused (1,395 units). The percent of dispensed units that went unused was 11.9% for the 140 prescriptions in that therapeutic class.

The reasons that medications went unused were identified and compiled into ten categories. A particular reason could be identified for unused medications in 2,420 cases. The most frequent reason a medication went unused was that the resident was discharged, not available, or out of the nursing facility at time of scheduled medication (860 cases).

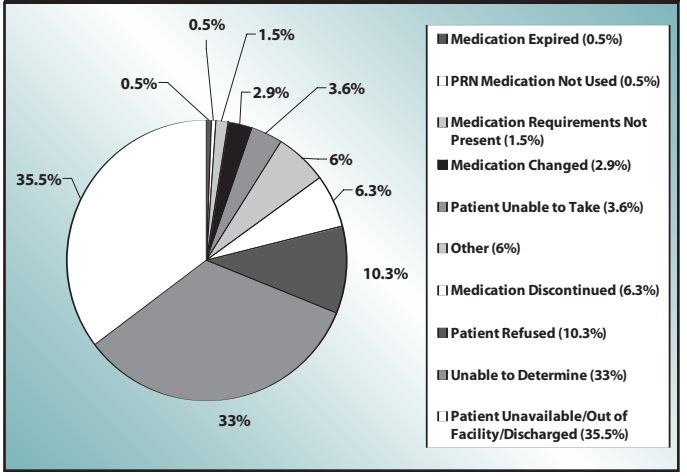
The findings of this study on how unused medications are disposed of support the following recommendations to reduce the amount of unused medications:

- Limit the quantities of medication dispensed
- Monitor prescribing patterns
- Use the data analysis from this study, with additional data collection and analysis, to determine the actual costs of unused medication

Top 5 unused routine medications in nursing facilities

	# Prescriptions	# Unused Units	# Dispensed Units	% Unused
Anticonvulsants	140	1,395	11,724	11.9%
Laxatives and cathartics	252	1.125	12,057	9.3%
Thiazide diuretics and related medications	256	967	8,881	10.9%
Antianxiety drugs	140	903	9,719	9.3%
Gastric acid secretion reducers	165	820	5,889	13.9%

Reasons for unused medication



Phase 2 *continued on pg. 4*

CODING CORNER

Coding alcohol and drug dependences

In this issue of the Coding Corner, we provide information from the *Coder's Desk Reference for Diagnoses* to assist the coder in identifying alcohol and drug dependences and assigning the appropriate diagnosis codes.

Alcohol dependence is a chronic condition characterized by an inability to cease alcohol use even with detriments to health, social interactions, and job performance. Alcohol-dependent patients generally experience physical signs of withdrawal with any sudden cessation of drinking. *Category 303* should be used for alcohol dependence.

Coding scenario: A 50-year-old woman presents at the clinic for a physical exam. She has been alcohol dependent for 15 years. She has quit drinking and has been dry for six months. Code alcohol dependence syndrome, other and unspecified alcohol dependence, in remission (303.93).

Drug dependence is both a mental and physical state that results from taking a drug. It is characterized by behavioral and other responses that always include a compulsion to take a drug on a continuous or periodic basis in order to experience its psychic effects, and sometimes to avoid the discomfort of its absence. Tolerance may be present. A person may be dependent on more than one drug. *Category 304* should be used for drug dependence.

Coding scenario: A patient is seen for a neurogenic bowel disorder due to ongoing drug dependence to opiates. The physician identifies the neurogenic bowel disorder as constipation in the medical record. Code drug dependence, opioid type, continuous (304.01) and constipation (564.0).

Documentation issues: If the documentation references a history of either alcohol and/or drug dependence, only report that history if it has an impact on the current patient treatment or length of stay.

Coding and reporting of appropriate diagnoses are dependent upon physician documentation in the medical record. If a diagnosis is questionable, always refer to the attending physician for clarification.

Phase 1 *continued from p. 1*

that the following medication types represent approximately 70% of the costs of medications destroyed: antidepressants, anti-ulcer drugs, tranquilizers, cephalosporins, NSAIDs, antihypertensive medications, and quinolone antibiotics. Our survey question concerning the most frequent unused medications did not mention costs.

How often are your medications routinely refilled (restocked) by the pharmacy?

- Monthly (83.3%)
- Daily (10.6%)
- As needed (4.6%)

The frequency of pharmacy restocking plays a major role in the amount of medication waste. Limiting quantities of dispensed medications would result in a significant reduction in unused medications. However, this reduction in medications could potentially result in increased dispensing time and fees and more frequent ordering.

Our survey identified opportunities to minimize significant amounts of unused medications. The descriptions of and reasons for unused medications given in the survey should be used to monitor more closely how quantities are prescribed and dispensed. System-wide processes and individual prescribing patterns may need to be studied and changed to reduce medication waste and costs.

Phase 2 *continued from p. 3*

- Conduct a trial study on the viability of automated dispensing systems
- Continue the Long-term Care Pharmacy Best Practices Program

Criteria Additions for the Precertification Program

ODJFS and Permedion have identified several additional PDC criteria that will assist in the approval of elective surgical procedures for precertification. The table below lists the designated procedure, CPT code, and related PDC.

Visit Permedion's website at ***www.permedion.com*** (Ohio Medicaid section) for more information about the Ohio Medicaid Precertification Program. There you will find information on what procedures require precertification, as well as the fax form to use for requesting precertification and the online precertification manual. This manual will give you detailed information on the program, including answers to frequently asked questions.

Procedure	CPT Code	Related PDC
Hysterectomy	58550	1172
Cervical laminectomy	22614	1935
Thoracic laminectomy	22556	1937
	22610	
	22851	
Lumbar laminectomy	22614	1936
	22842	1935, 1936
	63075	1935
Peripheral vascular	35473	4006
	35521	0810
	35566	
	35656	
	35661	

To request a precertification on elective surgical procedures, please call the Ohio Medicaid Precertification Center at 1-800-772-2179.

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