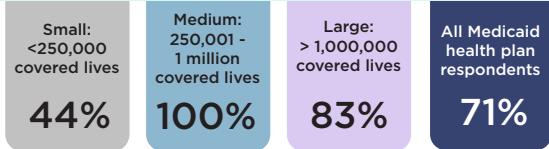




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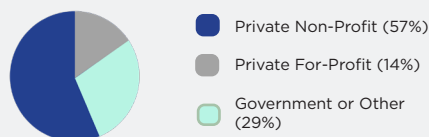
2022 Annual Medicaid MCO Survey Pharmacy



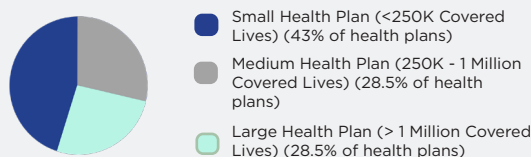
Methods and Overview

In its fifth year, the 2022 survey findings represent health plan data from almost every state with Medicaid managed care. The annual surveys collected information at the parent company/corporate levels and are intended to equip Medicaid stakeholders with the information needed to accurately articulate the national narrative about Medicaid managed care.

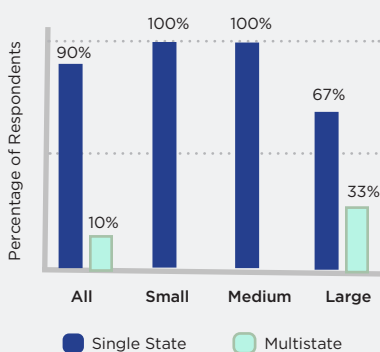
Health Plan Tax Status



Medicaid Health Plan Respondents by Size



Health Plan Markets



Source: Institute for Medicaid Innovation. "2022 Annual Medicaid Health Plan Survey."

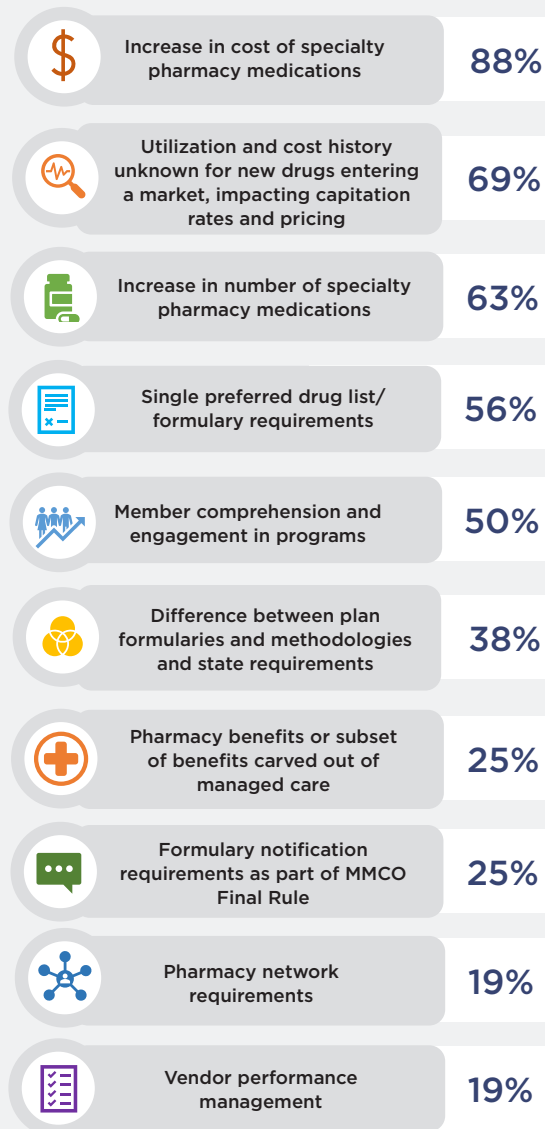
Pharmacy Benefit Activities and Initiatives Medicaid MCOs Implemented to Address the Opioid Epidemic

Benefit Activities and Initiatives	Small Health Plans	Medium Health Plans	Large Health Plans	All Health Plans
Quantity and/or days' supply limits for new starts	60%	100%	80%	81%
Pharmacy and/or prescriber lock program for members using multiple prescribers	80%	83%	80%	81%
Policies to decrease new starts for concurrent opioid/benzodiazepine	60%	83%	80%	75%
Removing barriers to medication-assisted treatment (MAT) (e.g., physician advisor for testing or MAT)	60%	83%	80%	75%
Case management to ensure appropriate care and referral to services	20%	83%	60%	56%
Review dose limit policies to ensure they do not encourage involuntary tapers and prompt clinical review of exception requests to ensure harm does not exceed benefit for individual members	40%	50%	40%	44%
Remove or restrict methadone for pain	20%	67%	40%	44%
Remove or reduce restrictions for or add to formulary common non-opioid pain medications (e.g., topicals, antidepressants, neuroleptics with indications for pain)	20%	50%	60%	44%
Remove or reduce restrictions for other pain services	20%	17%	20%	19%
Other*	20%	0%	40%	19%

Note: *Other includes: Opioids under Statewide PDL and Drug Utilization Review.

Source: Institute for Medicaid Innovation. "2022 Annual Medicaid Health Plan Survey."

Challenges Medicaid Health Plans Faced when Managing the Prescription Drug Benefit



Source: Institute for Medicaid Innovation. "2022 Annual Medicaid Health Plan Survey."

Percentage of Medicaid Health Plans Completing Survey Fully At-Risk for Pharmacy Benefits, by Year

	2017	2018	2019	2020	2021
All Health Plans	69%	89%	93%	80%	71%
Small Health Plans	100%	86%	100%	70%	44%
Medium Health Plans	57%	80%	83%	100%	100%
Large Health Plans	75%	100%	100%	86%	83%

Source: Institute for Medicaid Innovation, "2022 Annual Medicaid Health Plan Survey."

Most Effective State Strategies Identified by MCOs to Address Cost of New or High-Cost Drugs

Strategy	2017	2018	2019	2020	2021
Carved-out the drug costs completely/Pay fee-for-service for certain drug(s)	67%	53%	46%	56%	38%
Transition period where drug(s) are offered in FFS to get claims data then rolled into contracts	11%	36%	23%	25%	6%
Capitation rate adjustments made off the normal rate cycle	56%	24%	23%	25%	13%
Capitation rate adjustment as part of regular rate adjustments	67%	59%	62%	63%	25%
Stop loss provision to cap the plan's cost for the drug	33%	24%	31%	19%	19%
Risk corridor for high-cost medications	-	-	-	19%	25%
Risk sharing	-	-	-	6%	19%
States have not addressed the cost	-	24%	39%	19%	31%
Kick payment for certain drugs	-	-	-	-	25%
Value-based payments with manufacturers	-	-	-	-	6%

Note: Response options not included in prior years are noted with a dash (-)

Source: Institute for Medicaid Innovation, "2022 Annual Medicaid Health Plan Survey."

Challenges Medicaid Health Plans Faced When Managing the Prescription Drug Benefit

Challenge	2017	2018	2019	2020	2021
Pharmacy benefits or subset of benefits carved out of managed care	78%	59%	69%	58%	25%
Difference between plan formularies and methodologies and state requirements	56%	48%	54%	38%	38%
Utilization and cost history unknown for new drugs entering a market; impacting capitation rates and pricing	100%	89%	85%	75%	69%
Member comprehension and engagement in programs	44%	65%	62%	56%	50%
Formulary notification requirements as part of MMCO Final Rule	11%	36%	31%	19%	25%
Pharmacy network requirements	11%	36%	23%	19%	19%
Single prescription drug list/formulary requirements	-	-	62%	56%	56%
Increase in number of specialty pharmacy medications	-	-	77%	69%	63%

Note: Response options not included in prior years are noted with a dash (-).

Source: Institute for Medicaid Innovation, "2022 Annual Medicaid Health Plan Survey."