



California
Rheumatology
Alliance

2013 YEAR IN REVIEW

October 2013

CMS & Noridian Respond Positively to CRA Requests for Biologic Therapy Coverage

The California Rheumatology Alliance (CRA) is pleased with Noridian's recent announcement that Orencia IV, Cimzia, and Simponi ARIA are excluded from the Self-Administered Drug (SAD) Exclusion List effective September 16, 2013. On August 20, former Medicare Administrative Contractor Palmetto placed Orencia and Cimzia on the SAD List. Shortly thereafter, Noridian Healthcare Solutions became the contractor. CRA joined a coordinated, national advocacy effort, voicing its opposition and concern for significant and adverse effect on patients. In response, Noridian announced on October 8 that for the purposes of the SAD List, the Centers for Medicare and Medicaid Services (CMS) determined that Orencia and Simponi Aria are each separate drugs and are not usually self administered. Therefore, they are covered when other conditions of coverage are met and the use is medically necessary IV infusion incident to a physician's service. In addition, CMS determined that Cimzia (lyophilized) is an individual drug and is not usually self administered, providing coverage when coverage conditions are met and the use is a medically necessary subcutaneous injection provided incident to a physician's service. CRA will continue to urge CMS and Noridian to preserve Part B biologic access.

CRA Supports Biologic Substitution Legislation

California was one of 20 states this session to consider legislation regulating the substitution of "biosimilar" drugs, which are expected to be on the U.S. market by 2015. SB 598, as amended, would authorize a pharmacist, in his discretion, to select a biosimilar when filling a prescription for a prescribed biological product only if the biosimilar has been approved by the FDA and determined to be interchangeable and the prescriber does not personally indicate not to substitute. Prescriber notification mandates were also included. CRA voiced its support throughout the process, from the initial committee hearing to the Governor's office. Regrettably, the Governor vetoed SB 598 on October 12, explaining it was premature. CRA will continue to support the legislation, which is expected to be reintroduced in the next legislative session.

CRA Backs Legislation to Limit Step Therapy Policies

California Assemblymember Jim Frazier sought to limit step therapy/fail first policies through AB 889, which would prohibit health plans from requiring a patient to try and fail on more than two medications before allowing a physician's preferred treatment for the patient. This CRA-supported legislation passed the Assembly, but was held by the Senate Appropriations Committee. The Assemblymember plans to reintroduce this legislation.

CRA Supports Legislation Prohibiting Financial Incentives for Pharmacists' Substitutions

CRA applauded California Assemblymember Toni Atkins for introducing AB 670, which, as amended, prohibits pharmacists and pharmacy employers from receiving any payments or compensation to specifically recommend or replace a patient's original prescription with a prescription lacking the same active ingredient. AB 670 was held in the Assembly Appropriations Committee. The legislation is expected to be reintroduced next session.

Finalization of Uniform Prior Authorization Form

California physicians rejoiced in October, 2011, after legislation was enacted into law mandating the use of a uniform prior authorization form for prescription drug benefits, streamlining and improving the process. The Department of Managed Health Care opened a second written comment period on August 20, 2013, which closed on October 7, 2013. CRA awaits the release of the final rule. Beginning six months after the form is finalized, every prescribing provider must use it to request prior authorization for coverage of prescription drug benefits and health care service plans must accept the form.

Scope of Practice Update

Faced with a healthcare work force shortage expected to deepen as millions of Californians gain insurance coverage under the Affordable Care Act, lawmakers, lobbyists and grassroots activists debated proposals to expand the authority of non-physician providers during the 2013 legislative session. Physicians themselves led the charge to allow physician assistants and nurse practitioners (NP) to supervise medical assistants when physicians are not on the premises (SB 352, signed by Governor on September 9). Physicians also contributed to SB 493, recently enacted, granting appropriately-certified pharmacists limited prescriptive authority and an active role in the collaborative management of chronic diseases. Such collaboration was soundly rejected by NPs, who insisted on nothing short of unsupervised and independent practice. When the bill to expand NP's scope of practice (SB 491) was amended to optimize their integration within physician-led teams, they withdrew support for the entire effort. Senator Ed Hernandez, more concerned with patients' access to care than "turf battles," will re-introduce the NP measure in the next legislative session.

CRA Monitors Ballot Initiative Process, Opposes Effort to Increase Damages Cap

The California Attorney General's office is currently reviewing a second version of a proposed initiative that would, among other provisions, subject the \$250,000 cap on non-economic damages in medical liability cases to increases based on inflation. Supporters of the ballot measure submitted slightly revised language August 30, 2013. Upon certification by the Attorney General, proponents must gather 504,760 signatures within 150 days to qualify for placement on the November 2014 ballot. The deadline for the initial draft of the Troy and Alana Pack Patient Safety Act of 2014 was set for February 10, 2014. As of this writing, the AG's office has not indicated when they might certify the amended version and thereby start the 150-day countdown.

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