One-Time Cash

$14.6M – Identified fund balances during the Department Request budget preparation

Projection Adjustments

$4.6M – Changes to projections based on:
- Governor withhold impacts on managed care rates; and
- Other program savings due to managed care extension not previously identified

Pharmacy

$1.9M – Pharmacy pricing adjustments, including:
- Discontinue paying for certain non-rebate eligible products;
- Limit dispensing fees; and
- Adjusting some 340b pricing.

Standardized pricing based on Medicare rates

$2.6M – Based on MHD clinical staff review of policies and rates compared to Medicare and other states.
- Standardizing how lab codes are paid. Most changes will occur January 1, 2018. Still working out concerns with Missouri Hospital Association over fee schedule.
- Working with FQHC’s on place of service edit to understand impact.
- Lowers some durable medical equipment rates to the Medicare maximum.

Change in hospital reimbursement

$2.4M – related to both inpatient and outpatient hospital reimbursement, MHA and the Division are still discussing best methods for implementation, including:
- Changing pricing for certain outpatient procedures, starting with Bariatric procedures.
- Limiting overnights for outpatient stays.
- Edit inpatient claims to limit initial visit charges.
- Limiting how rural health clinics bill for radiology services.

Other

- $1.1M – moving Blind Pension participants to Medicaid.
- $440k – begin to reimburse for Silver Diamine Fluoride Treatment.

$27.6M total savings identified.
PHARMACY COST PER DAY
(FY15-FYTD18)

Pharmacy Watch List:
- Homophlia Pricing.
- New drug spend for Exondys, Spinraza, and Ocrevus.
- Hep C Drugs spend increase in first three months of FY 18.
# PHARMACY PROGRAM
## TOP 4 DRUG CLASSES PER FY

<table>
<thead>
<tr>
<th>HICL Description</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FYTD 2018 July 17-Sept 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARIPIPRAZOLE</td>
<td>$86,374,428</td>
<td>$83,230,287</td>
<td>$34,874,852</td>
<td>$8,885,707</td>
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<tr>
<td>INSULIN GLARGINE,HUMAN RECOMBINANT ANALO</td>
<td>$25,257,027</td>
<td>$25,943,693</td>
<td>$26,081,437</td>
<td>$8,863,674</td>
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<td>ALBUTEROL SULFATE</td>
<td>$22,062,737</td>
<td>$30,817,059</td>
<td>$29,395,238</td>
<td>$7,230,360</td>
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<td>METHYLPHENIDATE HCL</td>
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<td>$24,797,607</td>
<td>$25,333,080</td>
<td>$6,958,552</td>
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