BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL BY THE COMMISSIONER OF HEALTH AND SOCIAL SERVICES

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In the Matter of

UW

OAH No. 15-0081-MDX

DECISION

I. Introduction

U W is a Medicaid recipient. Mr. W's physician requested that the Medicaid program provide him with a prescription drug known as "Harvoni." The Division of Health Care Services (Division) denied the request. Mr. W requested a hearing to challenge the denial.

Mr. W's hearing was held on March 20 and April 9, 2015. Mr. W represented himself. Angela Ybarra, a Medical Assistance Administrator with the Division, represented the Division. Erin Narus, a licensed pharmacist employed by the Division, testified on the Division's behalf.

The evidence shows that Mr. W's condition is not sufficiently severe to qualify for Harvoni, per established Division guidelines. The Division's decision denying prior authorization is affirmed.

II. Facts

The following facts were established by a preponderance of the evidence.

Mr. W has been diagnosed with Hepatitis C. He does not have cirrhosis or fibrosis.¹ Mr. W's physician prescribed Harvoni to treat Mr. W's Hepatitis C. Harvoni is a drug which requires prior authorization from the Division before Medicaid will pay for it.² On January 13, 2015, Mr. W's physician requested that the Medicaid program approve coverage ("prior authorization") for Harvoni for Mr. W.³

The Division denied Mr. W's prior authorization request for Harvoni on January 15, 2015. The basis for that denial was that not enough information had been provided to determine the medical necessity for Harvoni.⁴ The Division subsequently issued an additional denial letter

¹ Ex. E, p. 2.

² Ex. I, p. 2; Ms. Narus's testimony.

Ex. E, pp. 2 - 20.

⁴ Ex. D, p. 1; Ex. E, p. 21.

on March 9, 2015, which stated that Mr. W's condition was not severe enough to satisfy the criteria for prior authorization of this drug.⁵

At the time Mr. W requested prior authorization for Harvoni, the Division's drug utilization committee had established guidelines that required, in part, that a person had to have either cirrhosis or bridging fibrosis before the Division would authorize a number of medications (Sovaldi, Olysio, or Harvoni) for treatment of Hepatitis C.⁶ On January 16, 2015, the day *after* Mr. W's prior authorization request was denied, the Division adopted new guidelines that would authorize a drug named VieKira for treatment of Hepatitis C, without requiring cirrhosis or bridging fibrosis. However, before Harvoni would be approved, while cirrhosis was not required, there needed to be a Child-Pugh score of B or greater. ⁷

Mr. W was offered treatment with VieKira. His physician declined to prescribe this treatment due to its side effects and increased length of treatment compared to Harvoni.⁸

III. Discussion

The Alaska Medicaid program has a number of medications which require prior authorization.⁹ In determining whether to grant prior authorization for a medication (or any service), regulation 7 AAC 105.130 states that the "factors that the department will consider include the service's medical necessity, clinical effectiveness, cost-effectiveness, and likelihood of adverse effects . . ."

Harvoni is one of the medications which requires prior authorization before the Medicaid program will pay for it. The Division has adopted clear clinical guidelines which must be met before prior authorization is granted for Harvoni. Mr. W does not have cirrhosis or bridging fibrosis. There is no evidence showing that he has a Child-Pugh score of B or higher. His Hepatitis C is undisputedly not at a stage where it is severe enough to satisfy the clinical guidelines necessary for prior authorization for Harvoni, either under those guidelines which were in effect on January 15, 2015, or the more flexible guidelines adopted on January 16, 2015. While Harvoni may be Mr. W's physician's treatment of choice, given these facts, the Division was correct to deny prior authorization for Harvoni.

⁵ Ex. N.

⁶ Ex. K, p. 1; Ms. Narus's testimony.

⁷ Ex. L; Ms. Narus's testimony.

⁸ Mr. W's testimony.

⁹ 7 AAC 105.130(a)(13); 7 AAC 120.130(a)(1).

IV. Conclusion

The Division's decision to deny Mr. W's prior authorization request for Harvoni is affirmed.

DATED this 20th day of April, 2015.

<u>Signed</u>

Lawrence A. Pederson Administrative Law Judge

Adoption

The undersigned, by delegation from of the Commissioner of Health and Social Services, adopts this Decision, under the authority of AS 44.64.060(e)(1), as the final administrative determination in this matter.

Judicial review of this decision may be obtained by filing an appeal in the Alaska Superior Court in accordance with Alaska R. App. P. 602(a)(2) within 30 days after the date of this decision.

DATED this 7th day of May, 2015.

By: <u>Signed</u> Name: <u>Lawrence A. Pederson</u> Title/Agency: <u>Administrative Law Judge/OAH</u>

[This document has been modified to conform to the technical standards for publication.]