

News from the Wyoming Department of Health

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Wyoming Medicaid Effort Saves Money Spent for Medication

A recent Wyoming Department of Health (WDH) effort successfully used Wyoming Medicaid data to reduce money unnecessarily spent on a children's medication without harming the young patients' health.

Respiratory syncytial virus (RSV) is a contagious viral disease that can lead to serious health problems in some people. RSV is quite common in infants and young children. Synagis is a prescription medication provided as a series of injections used to help prevent severe lung disease in children at high risk of RSV complications.

In 2010, a review of key Wyoming Medicaid data showed significant statewide growth in Synagis use. During the 2010 RSV season peak, the average number of Synagis doses per patient reached a high of 6.5, with an associated annual cost of more than \$2.5 million.

“Our data showed us the drug was being prescribed routinely for children who did not have a high risk of complications and for those older than 24 months,” said Dr. James Bush, Wyoming Medicaid's medical director with WDH. “While we were mindful of the costs, we also had concerns that improper drug use could expose young patients to side effects.”

In cooperation with a committee that included outside pharmacists and doctors, Wyoming Medicaid staff established a Synagis prior authorization process. Doctors prescribing Synagis were required to provide justification and clinical information before payment for Synagis was approved for their Medicaid patients.

“After the new process began, we saw a significant decline in the overall use of Synagis for Wyoming Medicaid patients,” Bush said. In addition to potential patient safety benefits, the state realized an annual savings of \$1.5 million in Synagis costs from the peak of its use in state fiscal year 2009 through the end of state fiscal year 2012.

“Obviously it was important to ensure our effort did not cause serious trouble for our young patients,” Bush said. “Follow up research using Medicaid claims data showed no significant increase in RSV diagnosis rates, RSV-related hospitalization rates, length of RSV-related hospital stays or RSV-related mortality.”

“In other words, despite a 64 percent reduction in Synagis doses administered, we found no harmful health effects among our Medicaid clients,” Bush continued. “Sometimes more medicine is not better medicine.”

Bush said the policy mirrored recommendations made by the American Academy of Pediatrics and the cooperation of Wyoming's provider community was critical to the effort's success.

Teri Green, WDH Division of Healthcare Financing senior administrator and state Medicaid agent, said “Many factors put tremendous pressure on Wyoming Medicaid’s budget and we are committed to using the resources we do have as wisely as possible as we serve our clients’ health needs.”

“This effort is an example of how by working together with Wyoming’s healthcare providers, we can use detailed analysis of data to identify expense trends and respond with smart clinical rules and practice standards to reduce waste without affecting harming our clients’ health,” Green continued.

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