



## North Carolina Department of Health and Human Services

Pat McCrory  
Governor

Aldona Z. Wos, M.D.  
Ambassador (Ret.)  
Secretary DHHS

April 23, 2013

The Honorable Louis Pate, Chair  
Appropriations on Health and  
Human Services  
Room 1028, Legislative Building  
Raleigh, North Carolina 27601-2808

The Honorable Ralph Hise, Chair  
Appropriations on Health and  
Human Services  
Room 1026, Legislative Building  
Raleigh, North Carolina 27601-2808

Dear Senators Pate and Hise:

Session Law 2012-142, Section 10.8 required the Department of Health and Human Services (Department) to lower its pharmacy dispensing fees, expand pharmacy prior authorization requirements and implement a specialty pharmacy program for hemophilia drugs. This letter is the third quarterly report on the implementation of these legislative actions.

During State Fiscal Year (SFY) 2013, the Department made several changes to its policies targeting the savings goals for pharmacy services. The Department implemented three prior authorization programs for new high cost specialty medications on November 15, 2012. The Department removed benzodiazepines and barbiturates drug classes from coverage on January 1, 2013 according to the requirements of the Affordable Care Act. The Department lowered brand dispensing fees from \$4.00 to \$3.00 on February 1, 2013, and lowered generic dispensing fees to a range of \$3.00 to \$7.75, depending on the generic dispensing rate. Finally, the Department implemented a hemophilia specialty pharmacy program on January 31, 2013, making reimbursement changes to increase the use of 340B purchased hemophilia drugs and standards of care to prevent overutilization.

At the time of this report, the realized savings to date are unavailable since the programs are just recently implemented. However these changes are expected to produce savings during SFY 2013. Moreover, preliminary case reports related to the hemophilia specialty pharmacy program indicate positive impacts in the areas of waste management and use of 340B products.

Please direct all questions concerning this report to Dr. Lisa Weeks, Chief of Pharmacy Services at the Division of Medical Assistance, at 919-855-4305 or [Lisa.Weeks@dhhs.nc.gov](mailto:Lisa.Weeks@dhhs.nc.gov).

Sincerely,

Aldona Wos, M.D.  
Secretary

[www.ncdhhs.gov](http://www.ncdhhs.gov)

Telephone 919-855-4800 • Fax 919-715-4645

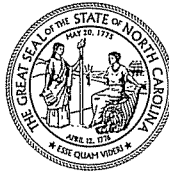
Location: 101 Blair Drive • Adams Building • Raleigh, NC 27603

Mailing Address: 2001 Mail Service Center • Raleigh, NC 27699-2001

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Senators Pate and Hise  
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April 23, 2013

cc:	Pam Kilpatrick	Carol Steckel	Legislative Library (one hard copy)
	Susan Jacobs	Jim Slate	Representative Justin Burr
	Denise Thomas	Adam Sholar	Representative Nelson Dollar
	Donnie Charleston	Matthew McKillip	
	Kristi Huff		
	Sarah Riser		
	Patricia Porter		
	Brandon Greife		



## North Carolina Department of Health and Human Services

Pat McCrory  
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Secretary DHHS

April 23, 2013

The Honorable Marilyn Avila, Chair  
Appropriations Subcommittee on Health  
and Human Services  
Room 2217, Legislative Building  
Raleigh, North Carolina 27601-1096

The Honorable William Brisson, Chair  
Appropriations Subcommittee on Health  
and Human Services  
Room 405, Legislative Office Building  
Raleigh, North Carolina 27603-5925

The Honorable Mark Hollo, Chair  
Appropriations Subcommittee on Health  
and Human Services  
Room 639, Legislative Office Building  
Raleigh, North Carolina 27603-5925

Dear Representatives Avila, Brisson, and Hollo:

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Sincerely,

A handwritten signature in dark ink, appearing to read "Wos".

Aldona Wos, M.D.  
Secretary

[www.ncdhhs.gov](http://www.ncdhhs.gov)

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Representatives Avila, Brisson and Hollo

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Secretary DHHS

April 23, 2013

Mark Trogon, Director  
Fiscal Research Division  
N.C. General Assembly  
Room 619, Legislative Office Building  
Raleigh, N.C. 27603

Dear Mr. Trogon:

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Sincerely,

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Aldona Wos, M.D.  
Secretary

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Mark Trogon

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