

MEDICAID MINUTE

from the West Virginia Association of Health Plans

Welcome to Medicaid Minute from the West Virginia Association of Health Plans. Every month you can expect our newsletter to provide you with the most up to date information about the work Managed Care Organizations are doing within the Medicaid Program and for our state. We want to serve as a resource for your Medicaid questions.

WVAHP White Paper on High-Cost Drugs

BACKGROUND:

High-cost drugs create uncertainty for managed care organizations (MCOs) and the Bureau for Medical Services (BMS). The market for high-cost drugs is ever-changing and growing. Exposure to the risk of these high-cost drugs is not adequately captured in capitation rates to the MCOs. Further, the lack of predictability in unit costs, incidence rates, and actual experience that defines these emerging drugs renders actuarial pricing principles and traditional risk sharing mechanisms ineffective.

DEFINING HIGH-COST DRUGS:

Creating risk mitigation strategies for high-cost drugs, will require both BMS and the MCOs to develop parameters to define what is and is not a high-cost drug. WVAHP would like to work with BMS defining these parameters. A broad approach of capturing all drugs that meet a certain annual per member spend is desirable. Recently there was an article published by [The Campaign for Sustainable Rx Pricing](#), that explains how the increase in pharmaceutical pricing will affect health care costs - again, emphasizing the need to find strategies that will reduce the risk that high-cost drugs have on the Medicaid program.

RECOMMENDED REIMBURSEMENT STRATEGIES:

There are several options states are currently utilizing to mitigate risks associated with high-cost drugs. To see what strategies WVAHP recommends and to view this report in its entirety, please visit the [link](#).

WV Medicaid Highlights*

Total enrollment in WV Medicaid:
539,544 members
MCO Total Enrollment:
391,658 members
SSI Enrollment:
35,093 (9%)
Expansion Enrollment:
156,466 (40%)
TANF Enrollment:
177,575 (45%)
CHIP Enrollment:
22,524 (6%)

* Data Source: DHHR report 2-1-25

Good News Stories



UniCare Health Plan of WV is now Wellpoint West Virginia. Click [here](#) to learn more.



West Virginia Association of
HEALTH PLANS

