

# CAREAssist Advisory Group Meeting Notes

December 11, 2024

## Announcements

- The End HIV/STI Oregon 2024 Annual Progress Report is available in [English](#) and [Spanish](#). The report focuses on progress made towards our shared goals, and our [five-year strategy](#) to End HIV/STI in Oregon.
- CAREAssist has a new case manager, Debra Bufton.
- Open enrollment is still happening. This is the last week to ensure clients get a January 1 start date for their health insurance. We have enrolled over 1,000 clients in off-exchange plans and are now reaching out to the remaining clients who 1) do not have health insurance or 2) have not yet transitioned from the marketplace to an off-exchange plan. After this week, CAREAssist will still be able to assist clients with enrolling in health insurance. Anyone assisted after January 1 will have a Feb 1 start date for their health insurance.

## Rx Affordability

The Oregon Prescription Drug Affordability Board (PDAB) was created under SB 844 (2021) to protect Oregonians, state and local governments, commercial health plans, health care providers, pharmacies, and others in the health care system from the high costs of prescription drugs. The board is composed of eight members who 1) have a background in clinical medicine or healthcare economics and 2) have been appointed by the governor and confirmed by the Senate.

The PDAB functions include:

- Drug affordability reviews: Identify nine drugs and at least one insulin product that may create affordability challenges for health care systems or high out-of-pocket costs for patients based on criteria adopted by the board.
- Study the entire prescription drug distribution and payment system in Oregon and around the world designed to lower the list price of prescription drugs.
- Make recommendations to the Legislature for statutory changes.

PDAB recommendations that have benefitted consumers.

- PDAB recommended to the Oregon Legislature that it lower the insulin copay limit to \$35 and/or decouple from inflation index. The 2024 Legislature passed Senate Bill 1508 that will cap the cost of insulin at \$35 a month and limit the cost to \$105 for a 90-day supply.
- PDAB recommended to the Legislature a study of upper payment limits and more transparency of pharmacy benefit managers (PBMs). The 2023 Legislature passed Senate Bill 192 to create an implementation plan for upper payment limits and



increase reporting requirements for pharmacy benefit managers to improve transparency.

- In 2023, 98.66% of costs were passed to insurers, 0.78% were passed to enrollees, and 0.56% were retained as PBM revenue.

PDAB responsibilities include:

- Rulemaking input
  - Affordability review criteria
  - Manufacturer fee structure
- Annual reporting requirements include:
  - A generic marketplace report for the legislature
  - A report to the legislature and to OHA's Cost Growth Target Program on 1) price trends, 2) drug affordability reviews conducted, and 3) recommendations for changes to make drugs more affordable.

Criteria for drug affordability reviews include:

- Cost as an access issue creating health inequities in communities of color
- Number of residents in Oregon prescribed the drug
- Price sold in Oregon
- Average monetary concessions to insurance plans
- Estimated total price concessions, discounts or rebates manufacturers give PBMs
- Estimated price of therapeutic alternatives
- Average price concession, discount, or rebate from manufacturer to plans and PBMs for therapeutic alternatives
- Estimated costs to insurance plans
- Impact on patient access to the drug
- Financial impacts to health, medical, or social services costs as compared to therapeutic alternatives
- Patient copayment or other cost-sharing
- Any information from a manufacturer
- Any other factors as determined by the board

Upper payment limits (UPL):

- A UPL is the maximum reimbursement rate above which purchasers throughout the state may not pay above for prescription drug products. A UPL creates a ceiling on what a payer can pay for a drug. It does not set the price a manufacturer can charge.
- In 2021, Senate Bill 844, the board's founding legislation, did not include UPL authority.
- In 2022, the Oregon PDAB recommended to the Legislature setting UPLs only for government payers.
- In 2023, Senate Bill 192 directed the Oregon PDAB to study the implementation of UPLs. The study will include an online survey and focus groups to gather information about affordability, UPL impact, methodology, and recommendations.

- The UPL report from November 2024 1) outlines structured methodologies to establish UPLs subject to affordability review under ORS 646A.694, 2) recognizes complexities of supply chain and different approaches may be necessary for different drugs and distribution channels, 3) brings to light perspectives on UPLs from a broad spectrum of stakeholders and examines models used by PDABs in other states, 4) offers a toolkit for the legislature to consider both the potential and complexities of UPLs, and 5) acknowledges fine operational details would need to be developed in Administrative Rules.

### Discussion

- Q: What are the top five drugs that the PDAB reviewed in 2024? What was the HIV ART drug that it reviewed in 2024 too?
  - A: Drugs were selected but not reviewed because the review process stopped. More information is available on the [PDAB website](#).
- Q: It's difficult to understand the data on the website. There is a spreadsheet that lists ARVs that are cheaper alternatives to Biktarvy, but it doesn't seem to capture which medications are most effective. Is there a way to convey other considerations?
  - A: PDAB receives this information and then collects more information if the drug is selected. The review process is guided by statutory requirements.
- Q: Can you please clarify where in the supply/access chain is the UPL? Is it an upper limit on what the insurance or PBM can pay to the dispensing pharmacy or what the distributor pays the manufacturer?
  - A: It depends on what the legislature would want for an upper payment model. We don't have enough studies to determine where an upper payment limit would have the greatest impact. Our hope is to protect the smaller pharmacies and reduce costs before drugs come into Oregon.
- Q: Say an HIV drug is set at an upper limit of \$100, but a manufacturer wants to charge \$200 and an agreement cannot be made; How would CAREAssist be impacted?
  - A: This is a challenging question to answer. The only way to guarantee a price change is for the federal government to get involved. At this time, we don't know what a cap might do. We will know more in time.
- Q: What does APAC stand for?
  - A: All Payers, All Claims

## Pool Administrators Inc (PAI) Claims Processing and Submission Overview

Pool Administrators Inc. (PAI) is an automating program administration that uses customizable technology to facilitate access to human services for people in need. Since its inception (1998), PAI has worked with state agencies in more than half the states in the U.S.

PAI will provide medical claims processing and payment services under the CAREAssist Program. These services include making payments to medical providers on behalf of eligible CAREAssist Clients. For example, the program has an annual cap of \$20,000, which applies from January 1 to December 31 of each year. On January 1st of each year, the annual cap will be replenished.

Data collection process:

1. CAREAssist Data Transmission
  - Source: Oregon Health Authority (OHA)
  - Method: Secure nightly file transfer
  - Content: New applicants/clients and changes to client information
  - Destination: PAI's CARE4 system
2. Methods of Claim Collection (Non- EDI)
  - Source: PAI receives daily paper mail, email, and fax
  - Content: Client data and claims information
  - Processing: Scanned into the CARE4 system
3. EDI 837 Claim Files
  - Source: Clearinghouse Contractor
  - Method: Daily transmission of Electronic Data Interchange (EDI) 837 files
  - Format: Conforms to HIPAA electronic data standards
  - Integration: Data automatically processed into CARE4 system

Clients can submit claims via:

- Email: PAI.OHA@pooladmin.com (emails must be sent securely)
- Fax: 860.266.2004
- Mail: 628 Hebron Ave., Suite 502, Glastonbury, CT 06033

What's needed when a client submits a claim?

1. A cover sheet (preferred but not required)
2. An invoice / billing statement that includes:
  - a. Provider remit address
  - b. Date of Service
  - c. Proof of insurance payment (if unavailable on the invoice, an Explanation of Benefits (EOB) will need to be provided)
  - d. Total dollar amount
  - e. Client responsibility



3. An Explanation of Benefits (EOB) that includes:
  - a. Provider remit address
  - b. Date of Service
  - c. Proof of insurance payment
  - d. Total dollar amount
  - e. Client responsibility

Providers can submit claims via:

- Email: PAI.OHA@pooladmin.com (emails must be sent securely)
- Fax: 860.266.2004
- Mail: 628 Hebron Ave., Suite 502, Glastonbury, CT 06033
- Payer ID: PAIOR01 and PAIOR02

What's needed when a provider submits a claim?

1. A Professional Claim Form (HCFA 1500) that includes:
  - a. Client Name (Box 2)
  - b. Date of Service (Box 24A)
  - c. Patient Account Number (if available) (Box 26)
  - d. Date of Service, POS, CPT Codes (Box A, B, C, D, E, F)
  - e. Federal TAX ID (Box 25)
  - f. Total Dollar Amount (Box 28)
  - g. Billing Provider (Payee) (Box 33)
2. An Institutional Claim Form (UB-04) that includes:
  - a. Billing Provider (Box 1 or 2)
  - b. Patient Account Number (Box 3a Patient Control#)
  - c. Date of Service (Box 6)
  - d. Client Name (Box 8a)
  - e. Client Date of Birth (Box 10)
  - f. Services Rendered CPT Code (Box 42, 43, 44)
  - g. Date of Service (Box 45 /Box 6)
  - h. Total Dollar Amount (Box 47 under totals)
  - i. Diagnosis (Box 66)
3. An Explanation of Benefits (EOB) that includes:
  - a. Provider remit address
  - b. Date of Service
  - c. Proof of insurance payment
  - d. Total dollar amount
  - e. Patient responsibility
4. W-9 - Required per IRS regulations. Providers must have a completed W9 on file to make payments.

Outbound communications to OHA clients:

- Request for Information (RFI)
- Denials (Denial letter will be sent to client)
- Quarterly Client Statement Summary



PAI's Customer Service Center operates from 8:30 a.m. – 5:00 p.m. (Pacific Standard Time) and can be contacted via:

- Phone: (833) 233-5476
- Email: PAI.OHA@pooladmin.com
- Fax: (860) 266-2004

### Discussion

- Q: Because a new PAI contract comes with new costs, is the CAREAssist program cutting staff or costs or is the additional cost of the contract coming out of the larger Part B revenue?
  - A: CAREAssist completed a required financial analysis that determined the program would need to hire additional temp positions as they have done in the past to continue to process claims within 30 days. Given the state's outdated systems and IT barriers to be able to process payments electronically which is an industry standard and most desired method of billing by providers, CAREAssist released an RFP to identify a contractor that would better serve clients, providers, and the program. The partnership with PAI or any potential vendor was carefully analyzed around cost, function, and service.
- Q: Is there a way for clients and case managers to review or see the letter to clients before they go out? We might have insights to make the letter less confusing.
  - A: The final letter will be shared via the listserv before it goes to clients. The process is not changing. The change is regarding who claims are submitted to.
- Q: Will case managers need to send bills to PAI instead of CA? If so, can there be a training for case managers since the process is going to change for them?
  - A: Yes, bills will need to be sent to PAI. Again, the process is not changing. What is changing is who you send claims to.
- Q: Letters to clients may be unopened if they do not see CAREAssist on the letter. Will the letters clarify PAI's connection to CAREAssist?
  - A: There is information about PAI sending letters on behalf of OHA. Some clients have shared concerns related to confidentiality when CAREAssist is listed on letters.
- Q: Is the processing time different or easier for PAI?
  - A: While CAREAssist does not have the technology to allow providers to bill the program electronically, PAI does have this ability, which makes the process much faster and efficient for providers and reduces potential collections for clients.
- Q: Will the phone-based customer service be handled internationally?
  - A: Service hours will be based on Pacific Time, and PAI will have dedicated staff in Glastonbury, Connecticut to answer calls.



- PAI provides much needed capacity and technology to process the volume of claims, as well as transparency; Clients will be able to know when their claims have been paid with a quarterly statement.
- Denials are provided to CAREAssist in reporting and via access to the PAI's CARE4 system.
- Q: Will providers who currently bill CAREAssist be informed of this change?
  - A: PAI has already informed providers who have worked with CAREAssist via a letter. If a client reaches out to CAREAssist about a TPA claim, CAREAssist will inform the client of PAI's contact information. CAREAssist will forward any clients' claims they receive to PAI and inform the client how to send claims to PAI directly to ensure speedy processing of their claims.
- Q: Has Kaiser been notified directly of this change? We need to make sure the communication of this change goes to the correct place in KP billing. There has been some confusion around this since we started doing direct claims with CAREAssist.
  - A: Outreach to Kaiser has already occurred. (Post meeting update – Kaiser, Lauren Stoner & Heather Leffler have been connected with PAI to make sure appropriate folks at Kaiser are aware of change.)
- Q: This does not sound like something as a client I could submit. I have no way to send secure email or any way to get the forms. How could a client do this?
  - A: This is no different from when CAREAssist is/was processing TPA. Either a provider bills CAREAssist or a client sends in an EOB and claim. Clients should always provide their CAREAssist card to their provider. On the back of the card is how to bill TPA. New CAREAssist cards are going out later this month to all clients with the new TPA information on the back. A client can ask their provider to bill by showing the provider the CAREAssist card; However, if they have a paper claim and EOB, they could mail, fax, or email it to PAI just like they mailed claims to CAREAssist in the past. Remember! The process isn't changing. What is changing is who you send claims to and that providers will finally have the ability to bill claims electronically.

## Program Financial Update

### 340B

As a reminder & recap: In 2020, pharmaceutical manufacturers began restricting distribution of 340B priced drugs to contracted pharmacy partners. At least 29+ manufacturers have enacted restrictions on 340B contracted pharmacies. Several states have passed laws prohibiting manufacturers from obstructing the distribution of 340B-priced drugs to contract pharmacies. CAREAssist supports Oregon in passing similar legislation and is preparing a loss analysis around what the program has incurred since carving out some manufacturers. The Ryan White Program, CAREAssist, Part B model leverages the federal 340B Drug Pricing Program and primarily relies on insurance reimbursements and manufacturer rebates to fund services as you will see in our



planned budget discussion. CAREAssist closely monitors local and national policy and system changes to determine program risks and mitigate those risks where possible.

### Inflation Reduction Act (IRA)

CAREAssist will be monitoring the impacts of the new IRA policy taking effect on January 1, 2025; This policy caps out-of-pocket spending for Medicare recipients at \$2,000 per year. Approximately 30% of CAREAssist clients are enrolled in Medicare. While this policy is likely to benefit most Medicare recipients, it may also reduce insurance reimbursements collected by 340B Drug Pricing Program covered entities like CAREAssist.

Another IRA provision is the Drug Price Negotiation Program. This program negotiates the maximum fair price for certain high expenditure, single source drugs and biologic products. They are looking at approximately 15-20 drugs each year. CMS (Center for Medicare and Medicaid Services) negotiations with manufacturers is currently taking place with first phase implementation beginning January 1, 2026, and last planned phase ending December 31, 2031. 5 of the 10 drugs negotiated for cap in 2026 were negotiated with an MFP, manufacturer fair price, less than the 340B ceiling price. Something to keep in mind - as MFP drug prices are reduced, reimbursements to the program, CAREAssist, may likely be reduced. We continue to monitor all aspects and components of the IRA.

### CAREAssist Planned Expenditures, April 2024 – March 2025

Planned expenditures for CAREAssist (April 2024 - March 2025) include:

- Medication costs - 47%
- Admin/indirect costs - 20%
- Insurance premiums - 19%
- Medical/dental co-payments - 7%
- Personnel/operations - 7%

A majority of CAREAssist planned budget funds are allocated towards medication at 47%. \$13 Million for medication cost and \$4.8 million for dispensing.

Admin/indirect encompasses costs that are not actual client services like insurance premiums or copays. It includes items like office space and doing business under OHA, Office of Information Systems, IT, services, and the development of the new database system among other items.

### Notes while reviewing the planned budget line items

Personnel and Operations costs encompasses line items like equipment rentals for copy machines, dues, and subscriptions for NASTAD and other associations and legal services, DOJ, who the program may utilize for contract(s) support and 340B legal issues, and





travel to required conferences to name a few. It also provides the breakdown of CAREAssist staff, benefits, language services, independent audit costs and so on.

Some of the larger expenses outside of indirect costs and related directly to client benefits are medications and dispensing at almost \$18 million, insurance premium payments just over \$6 million, medical TPA copayments and deductibles just under \$2 million, dental premiums \$960,000 and dental copays \$308,000.

## CAREAssist Program Revenue

CAREAssist program funding sources include:

- Program income - 76%
- Rebate income - 15%
- Federal grant - 9%

CAREAssist reconciles the budget every year and earned income supports program services into the coming year. Program funds that exceed the CAREAssist operating budget support other Ryan White services, to include services funded under End HIV Oregon, such as the Part A IGA, AETC and EISO to name a few.

## Discussion

- Q: Are you hearing about any forthcoming changes related to the election?
  - A: Some of the states that have passed legislation to support their 340B entities have been red states and that is encouraging. In addition to 340B changes, what is impacting CAREAssist right now is the unfolding of the IRA provisions. As CAREAssist explores different ways to mitigate losses, changes to the pharmacy network, moving to 1 pharmacy, like many states have already done, may need to be considered to mitigate along with complying with manufacturers policies and requests.
- The number of HIV diagnoses are increasing, so there may be more CAREAssist clients in the future.
- Q: Are CAREAssist costs increasing or not?
  - A: Program funding has been fairly stable. Transitioning clients from on-exchange to off-exchange plans not only benefitted CAREAssist clients by reducing barriers in obtaining insurance and maintaining insurance, but it also increased CAREAssist insurance reimbursement revenue. That increase has allowed CAREAssist to offset some of its loss in income due to 340B changes over the last 3+ years.
- Q: Would it be worthwhile to discuss innovative ways to sustain CAREAssist funding for others?
  - A: Feel free to reach out to HST leadership. This may be a conversation for OSPG.
- Q: Have UPP numbers been much lower in the last year?



- A: The numbers have not changed much (e.g., We have had close to 30 UPP clients).

Happy and safe season to all.

## **The Role of the CAREAssist Advisory Group**

The Ryan White HIV/AIDS Program legislation does not mandate an AIDS Drug Assistance Program (ADAP) advisory committee; however, the Oregon ADAP, CAREAssist, convenes an advisory group meeting quarterly. The CAREAssist Advisory Group is an open meeting composed of clinicians, pharmacists, service providers, people with HIV, representatives from other RWHAP Parts, health department staff, contractors, and other state program staff. The advisory group convenes to address needs of the ADAP, which may include program policy, benefits, utilization, quality management, and formulary. The advisory group is a venue to share informed perspectives, advice, and recommendations. It is not a decision-making body.

