



Indigent Medications Program Policy & Procedures Manual



Pharmacy Services
Office of the Medical Director

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1. Introduction

The Los Angeles County Department of Mental Health (DMH) provides comprehensive services to more than 250,000 individuals affected by mental illnesses. A full array of mental health services, including psychotropic medications, is available to DMH clients. However, despite the necessity for and effectiveness of psychotropic medications as an integral component of comprehensive mental health services, the estimated cost of providing such medications to DMH clients is \$130,000,000 per year—40% of which is taken from the County General Fund to pay for indigent clients' medications. Indigent clients are those individuals who do not have health coverage to cover the cost of their mental health services, including their medication.

The DMH is committed to providing mental health services to individuals whose mental illness impairs their ability to function in the community, regardless of their ability to pay. Due to reductions in the funding of mental health services over the years, it has been critical to find alternative ways of providing needed services more efficiently and productively. Therefore, reducing overall expenditures has become a priority. Specifically, reducing DMH expenditures on indigent clients' psychotropic medications is necessary to utilize those expenditures on other critically needed mental health services. As a result, the Indigent Medication Program was conceptualized in an effort to reduce those expenditures.

2. Background

The Indigent Medications Program (IMP), administered through the Office of the Medical Director's Pharmacy Services, was initiated in February 2003 to assist indigent and low income clients in obtaining needed medications at no cost to them or to DMH. During the fiscal year 2010-2011 the cost savings achieved by this Program was 35% or \$8,500,000. Recently, DMH has updated its goal for this Program of reducing indigent psychotropic medication expenditures to 38%.

Through the Indigent Medications Program, indigent clients can participate in the pharmaceutical companies' Patient Assistance Programs (PAPs) to receive medication at no cost to them or to the DMH if they meet the financial qualifications set by the pharmaceutical companies' Foundation.

3. Purpose

In accordance with DMH Policy #103.6, "Assisting Clients in Applying for Patient Assistance Programs (PAPs)," the purpose of the IMP is:

- To ensure that indigent and low income clients, who do not have benefits and are receiving medication are identified by DMH staff.
- To ensure that indigent and low income clients receive assistance from DMH staff in applying for PAPs available from the pharmaceutical companies' Foundation.
- To ensure the appropriate monitoring and distribution of replacement medications supplied by PAPs.

- To ensure clients enrolled in PAPs receive assistance in continuing to use the PAPs until the establishment of benefits.
- To ensure funding is adequate for meeting the medication needs for all clients.

4. Staff and Duties

The IMP is composed of one (1) IMP Supervisor, ten (10) IMP Coordinators, and one (1) IMP Secretary working under the Pharmacy Services component of the Office of the Medical Director.

4.1 IMP Supervisor

The IMP Supervisor is responsible for overseeing the IMP and directly supervises the IMP Coordinators. In order to meet the target medication cost reductions, the IMP Supervisor plans the work of the IMP staff, re-assigns IMP staff, as needed, and conducts on-going staff meetings and trainings for IMP and DMH clinic staff. The IMP Supervisor will also provide training, upon request, to DMH contracted agencies even though IMP Coordinators do not provide supportive services to their agency.

Problem-solving is provided by the IMP Supervisor when concerns arise from any segment of the IMP, including staff, clinic pharmacists, Pharmaceutical Foundations, clients, families and the community. The IMP Supervisor assigns and evaluates the work of the IMP staff based on productivity, interpersonal skills with clinic staff and psychiatrists, and ability to work independently and responsibly in the field.

The IMP Supervisor actively communicates and collaborates with Program Managers, District Chiefs, and Deputy Directors to ensure that all clinics are meeting target cost reductions, as well as with contract pharmacists in the implementation of the IMP, assuring the appropriate distribution of replacement medications by the IMP staff. Collaboration with Pharmaceutical Foundations' management is also carried out by the IMP Supervisor to develop and maintain user-friendly PAPs for our countywide program. The IMP Supervisor also works with the CIOB in the development, refinement, and distribution of reports necessary to ensure the appropriate level of cost savings. Each month, CIOB produces reports charting the dollar amounts and percentages of cost savings produced by this program at each DMH participating site.

The IMP Supervisor represents DMH in meetings and other communications with DPSS, SSA, and other public and private agencies. S/he is also responsible for ensuring that supplies and personnel are sufficient to operate the IMP.

4.2 IMP Coordinator

The IMP Coordinator is the liaison between the Client, Clinic, and Pharmaceutical Foundation. Each IMP Coordinator is responsible for two to three clinics throughout the eight Service Areas, where their role is to identify clients who are eligible for IMP using the ICR 934 and the departmental generated reports. The IMP Supervisor is to facilitate the IMP Coordinator in establishing clinic procedures in collaboration with

the Clinic Program Manager that is specific to their agency. These procedures are how the IMP applications will flow through the clinics. The IMP Coordinator prepares PAPs Applications for timely submission to the corresponding Foundations by using the IMP database to ensure the accuracy of the application, and by consistently engaging with clinic staff to ensure that applications are completed and signed by doctors and clients. The IMP Coordinator consistently communicates with the Foundations to ascertain that the application process for clients is prompt and efficient. Records (i.e., Prescription Authorization and Tracking System [PATs], IS, IMP Database and applications) are regularly updated by the IMP Coordinator to ensure tracking accuracy and organization.

Although the IMP Coordinators spend the majority of their time in the field at his/her assigned clinics, at least one day is spent at DMH Headquarters each week. Working with a team of IMP staff, weekly shipments of medications are logged, prepared and sent to contracted pharmacies via UPS. The IMP Coordinator attends weekly IMP meetings with the IMP Supervisor where questions and concerns about the IMP are discussed and where monthly reports are reviewed. The IMP will meet with clinic staff on an as needed basis to discuss the generated reports and procedural issues.

4.3 IMP Secretary

Under the supervision of the DMH Pharmacist, the IMP Secretary opens medication packages received from the Pharmaceutical Foundations and stores medications in the Pharmacy Services warehouse. Working with a team of IMP staff, weekly shipments of medications are logged, prepared and sent to contracted pharmacies via UPS, of which records are kept and filed in the Pharmacy Services office. The IMP Secretary is responsible for entering shipment reports and copies of UPS receipts in the IMP database on a weekly basis.

The IMP Secretary prepares and processes paperwork for staff access into necessary systems, including IS, MHMIS, and Outlook. He/she communicates with IMP staff in the field regarding work requiring follow-up at DMH Headquarters. The IMP Secretary keeps record of weekly staff meetings and creates agendas needed by the IMP Supervisor, including initiating and managing special requests. The status of current staff is updated as needed by the IMP Secretary, who also performs other clerical duties as needed.

5. Application Process

PAP applications are submitted to their respective Pharmaceutical Foundations: Bristol-Myers Squibb (Abilify), Lilly Cares (Zyprexa and Cymbalta), Pfizer (Geodon), Novartis (Fanapt), Merck (Saphris) and Sunovion (Latuda). To establish eligibility for the PAP, clients must meet financial and clinical criteria as established by the Pharmaceutical Foundations (no Medi-Cal and/or MediCare benefits).

5.1 Establishing Eligibility

Clients identified by IMP Coordinators as eligible for PAPs are those individuals who are utilizing County General Funds to pay for their medications. They are clients without Medi-Cal, Medicare, or other insurance programs with prescription coverage. Clients who are not eligible for SSI and/or Medi-Cal benefits due to their residency or income status are also eligible for certain PAPs.

Eligibility is determined through financial screening upon intake and annually at the clients' respective clinics. Existing indigent clients are identified through a monthly report of prescribed indigent client medications (ICR 934 and IMP Database).

5.2 New Applications

Eligibility for PAPs is determined in two ways. First, clients are financially screened upon intake and annually at each DMH clinic. Indigent clients are identified by a financial screener and the psychiatrist is informed of the client's eligibility for PAPs. Existing indigent clients are identified through a monthly report of indigent IMP medications prescribed the previous month (ICR 934). The IMP Coordinator compares the clients listed in the ICR 934 to the list of all the people who already have an IMP application (PAPA Report). If the client is not listed in the PAPA Report, the IMP Coordinator must verify the client's insurance status through MEDS. If the client does not have Medi-Cal or Medicare Part D, a new application is completed sent to the psychiatrist for signature. The psychiatrist makes the second eligibility determination at this time as to whether the client is on a stable dose of the medication. If on a stable dose, the signatures of the doctor and client must be obtained. The application should be placed in the client's chart and tabbed to ensure that the application is signed by all parties. The completed application is submitted (faxed or mailed) to the appropriate Foundations. Individual Foundation and/or medication requisites should be taken into account when submitting applications (i.e., for Geodon, prescription must be attached to the application). Once the application has been submitted, the IMP Coordinator must update the client's status on the IMP database to "Pending." The IMP Coordinator is to monitor and follow-up when new applications or attestation forms are needed and places the forms in the client's record.

After an application is approved by the Foundation, the IMP coordinator monitors that the medications are sent to DMH by the Foundation. When the medication is received, the coordinator records in the IMP database that the medication was received and updates the client's IMP status to "Approved." All denied applications are updated as "Terminated" in the IMP database. When the termination is updated, the IMP coordinator will note the reason for the termination.

5.3 Current IMP Status Monitoring

Once clients have begun to receive their medications through IMP, the IMP Coordinator must continually monitor their status on a month-to-month basis to ensure that their eligibility status has not changed. Client's Medi-Cal and/or Medicare

eligibility are periodically verified in three ways. The clinic's intake personnel or financial coordinator may inform the IMP Coordinator when this happens, the IMP Coordinator verifies through MEDS and IS generated reports. However, it is not only the clinic staff that is responsible for continually verifying IMP eligibility. The IMP Coordinator must check MEDS and the departmental generated reports on a regular basis.

The IMP database has also been programmed to check the client's Medi-Cal and Medicare status before a shipment is sent. If this program determines that a client does have some financial benefits, a shipment record will not be generated and the appropriate benefit program will be billed for the medication dispensed. The database also notes the Medi-Cal status in the PAPA screen which notes the application status for all clients. The IMP Coordinator must regularly review the IMP database and update the client's status. When the client is determined to have benefits, the application is to be terminated. If a client's benefit status does not change, the IMP database will continue to generate instructions to replace to the contracted pharmacy the medication they dispensed to the client.

Applications are generally good for one year but each Foundation has renewal requirements. The database flags the various renewal dates and the IMP Coordinators are responsible for fulfilling the renewal requirements. The Coordinator must regularly update the database in order to keep the medications coming throughout the year.

5.4 Shipping

Medications are received from the Pharmaceutical Foundations nearly every day. Packages are opened shortly after arrival and the invoices are date stamped after the medication received is verified with the invoice. These invoices are used to log the medications received into the IMP database, where the client's name, medication received, dosage prescribed, number received, the prescribing physician's name, and the cost of the medication is entered. Invoices are filed in chronological order in the DMH Pharmacy Services office. Medications are stored and locked in the Pharmacy Services warehouse until removed for shipment purposes.

A weekly "Pending Shipment Report" is generated by information from the VeriFone system at the contracted pharmacies when the medications are filled. Based on this report, the IMP staff prepares a weekly shipment and log into the IMP database the medication being shipped. Medications are shipped one week after being dispensed via UPS in envelopes prepared in the DMH pharmacy warehouse. The envelopes are labeled according to the letters from the HMHRPAPR report and include the replacement medications and letters with the identifying information described above. Copies of the letters are filed in the DMH Pharmacy office. A report is, then, generated for all the medications shipped to the contracted pharmacies, a copy of which is sent to the contracted pharmacies. The client's database is updated at the time of shipment.

It is important to note that clients receive their medication once it is prescribed by their physicians. Utilizing PAPs, the IMP replaces to the contracted pharmacies the medications dispensed.

6. Participating Clinics

There are currently twenty-two (22) directly operated clinics participating in the IMP throughout the County of Los Angeles.

- American Indian Counseling Center
- Antelope Valley MHC
- Arcadia MHC
- Augustus F. Hawkins MHC
- Coastal MHC
- Compton MHC
- DMH @ Harbor-UCLA Medical Center
- Downtown MHC
- Edelman Westside MHC
- Hollywood MHC
- WCRSEC
- Long Beach MHC
- Long Beach Asian MHC
- Northeast MHC
- Palmdale MHC
- Rio Hondo MHC
- San Fernando MHC
- San Pedro MHC
- Santa Clarita MHC
- South Bay MHC
- West Central MHC
- West Valley MHC

7. Included Medications

Medications included in the IMP were selected based on the high prescription volume and cost. Prescribing patterns and costs were analyzed yielding the following seven (7) medications that met the high-volume and high cost criteria:

- Abilify
- Cymbalta
- Geodon
- Latuda
- Fanapt
- Saphris
- Zyprexa

8. Reporting

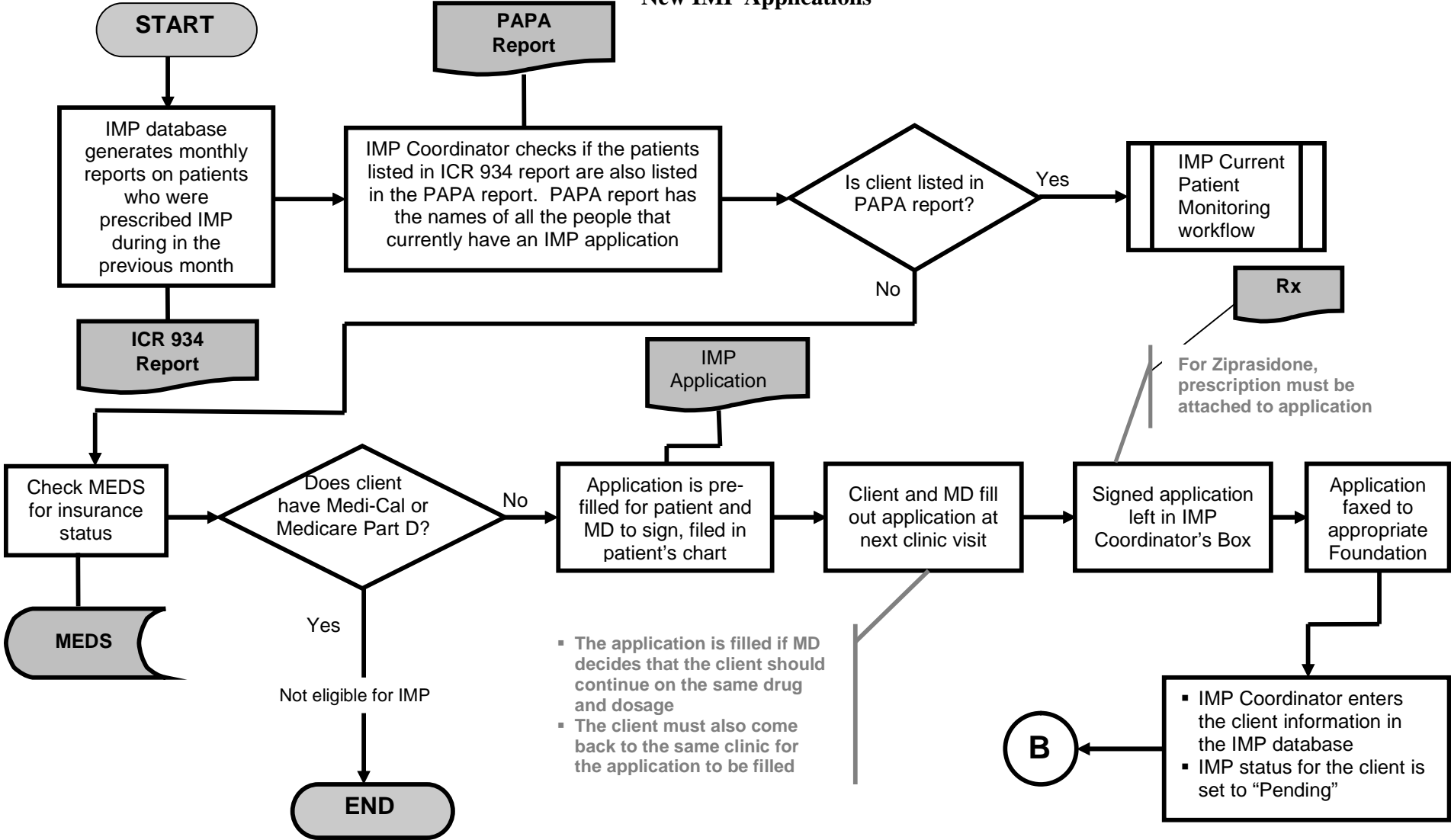
Monthly reports are generated by CIOB that calculate the Cost Savings at each Directly Operated Clinic. These reports are used as a STAT measurement and are used as a subject for discussion at the monthly STAT meetings.

Since the inception of the Indigent Medications Program, the Patient Assistance Programs have saved the DMH over \$27 million; a cost savings that can be used towards the development and improvement of a world class mental health care for the County of Los Angeles.

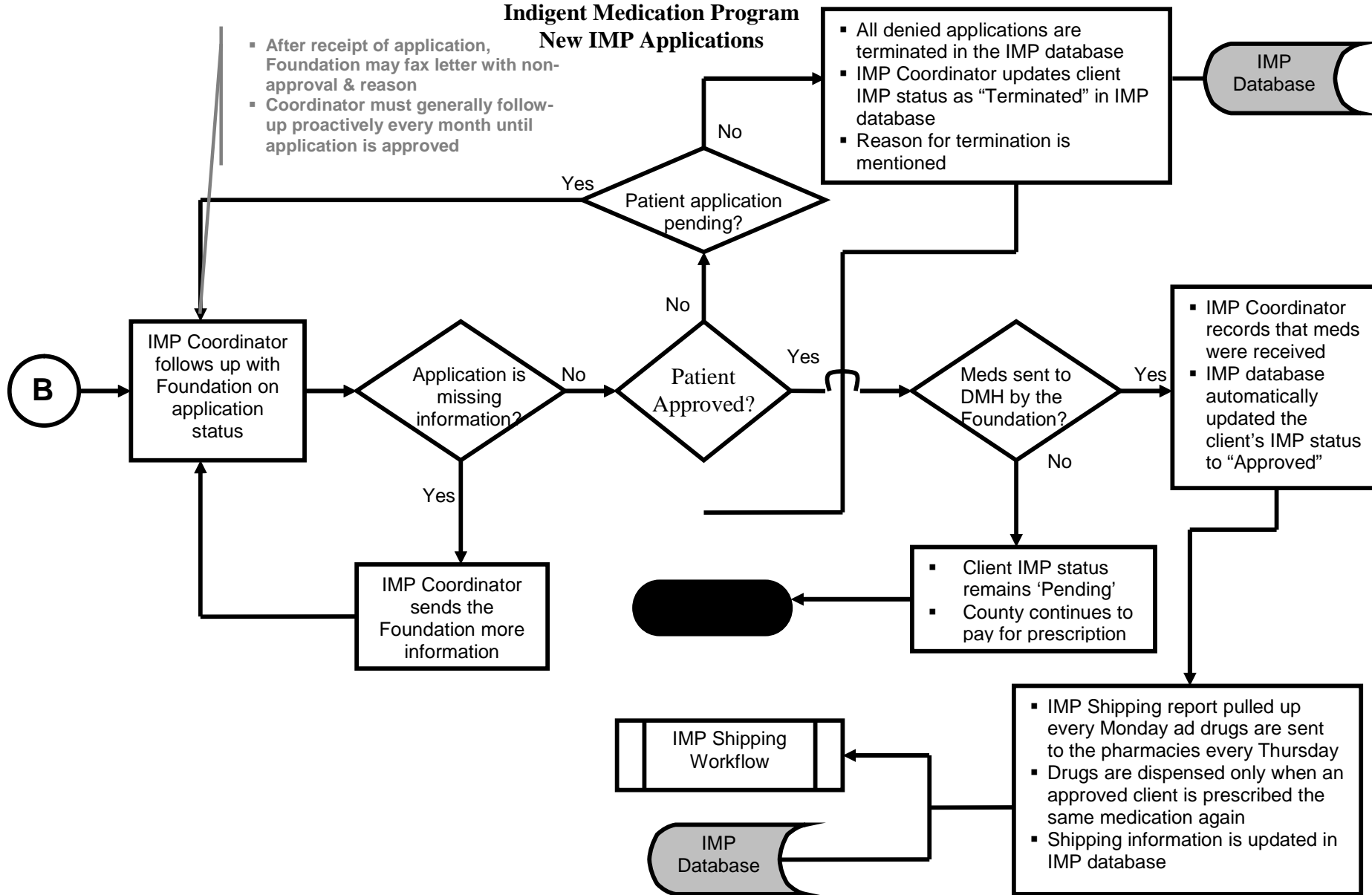
APPENDIX A

New IMP Applications Flow Chart

**Indigent Medication Program
New IMP Applications**



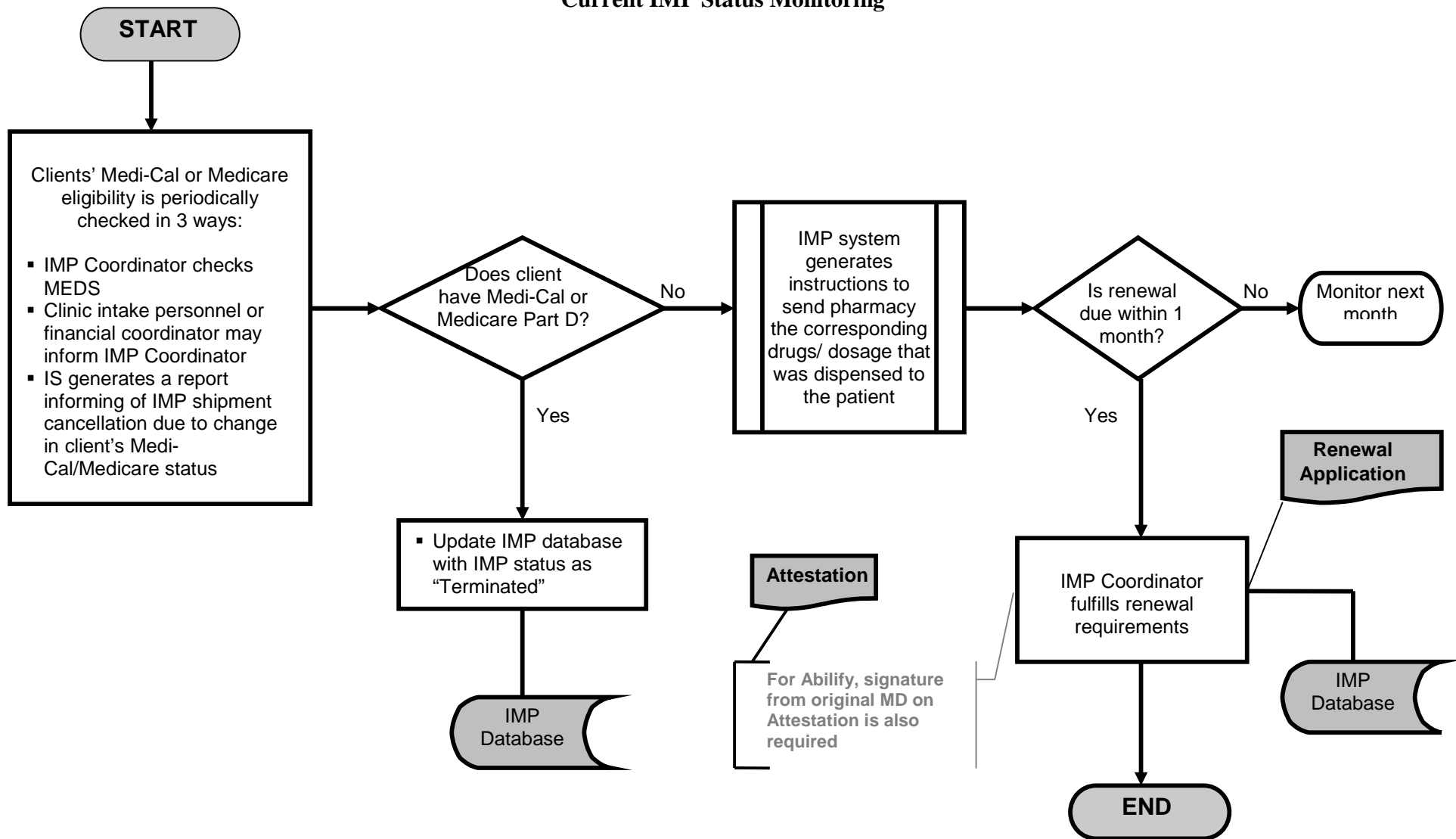
Indigent Medication Program New IMP Applications



APPENDIX B

Current IMP Status Monitoring Flow Chart

Indigent Medication Program Current IMP Status Monitoring



APPENDIX C

Shipping

Indigent Medication Program Shipping

