



This FAQ document is designed to provide answers to the most common questions regarding the Single Pharmacy Benefit Manager (SPBM) and Pharmacy Pricing and Audit Consultant (PPAC) initiative at the Ohio Department of Medicaid (ODM). SPBM will be single system to improve management and administration of pharmacy benefits for managed care recipients while decreasing costs for the state. The PPAC will assist ODM in the provision of drug cost and dispensing methodology, oversight support, auditing, analysis, and program integrity.

SPBM and PPAC Frequently Asked Questions (FAQs)

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What is a Pharmacy Benefit Manager (PBM)?

PBMs are companies responsible for administering pharmacy benefits on behalf of health insurers.

Why is ODM changing the pharmacy model?

In 2019, the Ohio General Assembly instructed ODM to adopt a single pharmacy benefit manager (PBM) following release of a 2018 Health Data Solutions (HDS) report stating the PBMs were paid \$224 million by Medicaid. At issue was the lack of transparency. Neither ODM nor the state auditor could verify or refute the appropriate use of funds – a “black box” of information is unacceptable in the delivery of public services.

A SPBM will replace the four PBMs currently contracted across the Managed Care Organizations. ODM’s goals for SPBM are to improve management and administration of pharmacy benefits for members, increase transparency, improve financial accountability, and simplify provider administration.

Is the SPBM and PPAC part of the “Big 5” Strategic Initiatives?

Yes, SPBM and PPAC is part of the “Big 5” strategic initiatives.

How will the new SPBM model impact members?

The SPBM will work with pharmacies to ensure more pharmacy choices for members, fewer out-of-network restrictions, and consistent pharmacy benefits for all managed care members. Members will no longer need to consider pharmacy benefits as a decision-making factor when selecting a managed care plan.

How will the new SPBM model impact pharmacists and prescribers?

Pharmacists will experience streamlined processes, will only need to work with one PBM rather than multiple Medicaid managed care PBMs, and experience a streamlined inventory based on a consistent and transparent preferred drug list.

Prescribers will experience a single prior authorization process and a single set of clinical criteria.

What is the PPAC’s role within the SPBM model?

The PPAC will assist ODM in supporting the new pharmacy model objectives of transparency and accountability. This includes pharmacy reimbursement and benefit design, and pharmacy program oversight and auditing.

Who is the SPBM vendor?

Gainwell Technologies was selected through a competitive Request for Proposals (RFP) process. Gainwell currently provides pharmacy services for 29 state Medicaid programs and has successfully implemented 21 Medicaid modules across eight states.

Who is the PPAC vendor?

Myers and Stauffer was selected to be ODM’s PPAC. The firm brings more than 40 years of pharmacy management experience and has conducted more than 100 pharmacy cost of dispensing survey projects in more than 30 states. Myers and Stauffer provides complex data analysis, fiscal modeling, auditing

experience, oversight knowledge, and rate setting services for pharmacy programs across the country.

What is the process for pharmacies to contract with the new PBM?

Pharmacies will have to be enrolled with ODM first. Pharmacies can enroll at any time to prepare if they are not already enrolled. To enroll, please visit the [Resources for Providers \(ohio.gov\)](#) webpage.

The pharmacy will then have to contract with the SPBM vendor, Gainwell. All pharmacies will have to contract with Gainwell in order to provide pharmacy services for managed care members. Gainwell is expecting to begin outreach to enrolled pharmacies in late 2021.

Will all claims from the pharmacy at point of sale (POS) be routed to the SPBM?

All pharmacy claims data will go directly to the SPBM. The managed care plans will also receive pharmacy claims and prior authorization data.