



Mike DeWine, Governor
Jon Husted, Lt. Governor

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Gainwell Technologies selected to bring new level of accountability to the Ohio Medicaid next generation pharmacy program

COLUMBUS, Ohio — The Ohio Department of Medicaid (ODM) today announced Gainwell Technologies was selected to be the agency's single pharmacy benefits manager (PBM). The award moves Ohio closer to realizing greater transparency and accountability in Medicaid's \$3 billion pharmacy program.

"Since the start of the DeWine administration, ODM has launched several initiatives to drive transparency, reduce pharmacy costs, and simplify provider administration," said Maureen Corcoran, ODM director. "Selecting Gainwell as our partner in administering a clinically driven, outcomes-oriented pharmacy program enables us to take advantage of their previous successes."

Gainwell Technologies brings a wealth of experience to strengthen ODM's pharmacy benefits delivery. Since 2010, Gainwell has achieved 16 Centers for Medicare and Medicaid Services (CMS) certifications — more than all other vendors within the same time period. It provides services for 29 state Medicaid programs, processes more than 195 million pharmacy claims a year, and answers 6.6 million provider and recipient phone calls annually on behalf of state health care customers. Additionally, CMS cited the company's *Step Edits* process as a "best practice," calling it "bulletproof" in federal certification review sessions.

In 2019, the Ohio General Assembly instructed ODM to adopt a single 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. The auditor stated, "...we cannot be content to accept a 'black box' in the delivery of public services." Ohio Medicaid and other state agencies had no means to audit potential steerage or conflicts of interest.

The single PBM is part of a larger overhaul of the Medicaid program designed to put the needs of Medicaid members first and bring visibility to the use of state dollars. Doing so meant structuring the program as a specialized managed care health plan that rewards the single PBM for patient wellness and health outcomes.

Once implemented, the single PBM will eliminate costly duplicative administrative processes for ODM and providers alike. Currently, each of Ohio Medicaid's six managed care organizations (MCOs) contracts with one or more PBM to manage prescription drug benefits. As a result, health care providers are



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subject to meeting unique, time-consuming processes required by each MCO to prescribe important, sometimes life-sustaining medications.

To bolster accountability in the pharmacy program, Ohio Medicaid soon will select a pharmacy operational support vendor (POSV) tasked with auditing the single PBM. The POSV will ensure incentives are properly and fairly aligned, self-dealing and steering are prevented, and monetary loopholes are closed. ODM expects to award the POSV vendor by summer 2021.

ODM is building its next generation managed care program throughout 2021, including preparations to integrate and launch the strategic components of the program: the single PBM, POSV, fiscal intermediary, centralized credentialing, and the OhioRISE specialized managed care program for children with complex needs. The newly designed program is targeted for launch in January 2022.

ODM received six competitive offers in response to the single PBM request for proposal. Change Healthcare, Express Scripts, Gainwell Technologies, MagellanRx Management, Navitus Health Solutions, and RxAdvance each submitted responses.

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