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Ohio Medicaid launches innovative pharmacy benefit and simplified provider credentialing in its phased Next Generation managed care implementation

Rollout introduces a new era of pharmacy transparency with the single PBM, and eases provider administration to better serve members

COLUMBUS, Ohio – On Oct. 1, Ohio Department of Medicaid (ODM) will launch the single pharmacy benefit manager (SPBM) and new provider enrollment process and centralized credentialing through the Provider Network Management system.

"Ohio Medicaid is changing the way we do business, to focus on the individual and their family. With these changes we are providing greater access to medications and expanding the choice of specialty pharmacies," said Ohio Medicaid Director Maureen Corcoran.

In 2019, Governor Mike DeWine charged Ohio Medicaid to reevaluate the 15-year-old managed care system and create a program that focuses on the needs of Ohioans. Months later, the Governor and the Ohio General Assembly agreed to adopt a single pharmacy benefit manager to administer the $4 billion Medicaid medication benefit.

The SPBM, operated by Gainwell Technologies, addresses years of concerns raised by pharmacies and stakeholders regarding obscure reimbursement methodologies and conflicts of interest that allegedly diverted profits to legacy managed care organization pharmacy programs. With the new single pharmacy benefit manager members will have access to more than 2,600 pharmacy locations.

Additionally, for the first-time Ohio's managed care members will consistently have a choice of specialty pharmacies to meet their needs with medications requiring special handling, storage, or clinical oversight such as those used to treat cancer, hemophilia, or other rare diseases.

The new system enables Ohio Medicaid to eliminate the mystery behind pharmacy reimbursements. Going forward, pharmacy rates will be based on actual evidenced-based costs pharmacies incur. Moreover, the new structure gives ODM the tools needed to better meet member health and wellness needs.

"Medicaid's single pharmacy benefit manager pricing method is more transparent than any I've encountered in my 34 years in this industry," said Ohio Pharmacists Association Executive Director Ernest Boyd. "Reimbursement formulas are fair and based on real data from Ohio pharmacies, and financial incentives clearly support greater member accessibility – it's no wonder so many Ohio pharmacies have signed on to Medicaid's new pharmacy program."

Ohio Medicaid will launch centralized credentialing and streamlined provider enrollment through the new provider network management program. Beginning Saturday, providers will only need to meet one standardized set of requirements for all managed care organizations, eliminating previous redundant administrative requirements and credentialing costs for hospitals, providers and other health care entities who do business with Medicaid.

''I found the provider network management system easy to learn and to navigate. From a school-based therapist point of view, I believe it will be quite an improvement from our experience navigating the current system," said Susan Bollin, owner of Weswurd. Similarly, Sandy Muir of Foundations Health indicated, "The functionality of the new system is very streamlined and easy to follow."

In July, Ohio Medicaid launched the first phase of its Next Generation program, introducing OhioRISE – a specialized behavioral health program for Ohio children with complex needs. OhioRISE now has more than 10,000 youth enrolled.

The third and final stage of Ohio Medicaid's overhaul occurs Dec. 1, with the introduction of seven Next Generation managed care organizations. Members will experience several new program benefits such as individualized care management and coordination, and after-hours behavioral health crisis services. The December launch also introduces the fiscal intermediary to streamline claims processing, prior authorization and member eligibility requests, claims status and documentation. Design of Medicaid's Next Generation program was informed by input ODM gathered from more than 1,100 members, providers, and stakeholders.

Today more than 90% of Ohioans with Medicaid are served through managed care. ODM's Next Generation redesign promises a more personalized care experience for members, streamlined provider administrative responsibilities, increased program transparency and accountability, improved health outcomes, and a specialized, high-intensity behavioral health program for children and adults with complex needs.

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