

Analysis and Monitoring of Medi-Cal Pharmacy Access: Provider Availability & Service Utilization

The California Department of Health Care Services (DHCS) developed this paper in conjunction with the Department’s proposed State Plan Amendment to reduce Medi-Cal rates for pharmacy services. In this paper, DHCS presents a baseline assessment of the current state of pharmacy access in the Medi-Cal fee-for-service (FFS) program and defines the Department’s approach for measuring and monitoring access to pharmacy services for the Medi-Cal FFS population.

Current State of Access in Medi-Cal FFS

DHCS’ assessment of the current state of access in Medi-Cal FFS is based on evaluating available data for pharmacy services and focuses on two key areas:

1. Pharmacy Provider Availability
2. Medi-Cal Pharmacy Utilization

In each component, DHCS’ analyses are conducted at a statewide level and separately for urban and rural counties¹. This assessment conducted by DHCS provides evidence that Medi-Cal enrollees have been able to access needed pharmacy services in the baseline period.

Pharmacy Provider Availability

The first component in our analysis focuses on pharmacy provider availability. The number of providers available to meet the needs of Medi-Cal beneficiaries is a function of both provider supply and provider participation. The information in this section contains our findings captured from Medi-Cal Provider files and claims data and information made available by the Department of Consumer Affairs Board of Pharmacy.

We analyzed the availability of pharmacy providers to Medi-Cal enrollees by determining the total number of pharmacies available in California and the number of those pharmacies that serve Medi-Cal enrollees. According to our analysis below, the percentage of retail pharmacies participating in the Medi-Cal program has remained consistently high over the baseline period. With nearly 90% of all pharmacies in California providing services to the Medi-Cal population, this demonstrates that our population has sufficient access to pharmacy providers.

Table 1: Pharmacy Provider Participation in Medi-Cal (2007-2009)

	Medi-Cal Billing Pharmacies			Total Retail Pharmacies			% Medi-Cal Participation		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
Statewide	5,498	5,516	5,575	6088	6461	6440	90%	85%	87%
Urban	5,085	5,112	5,162	5,675	6,019	5,995	90%	85%	86%
Rural	413	404	413	413	442	445	100%	91%	93%

¹ For this analysis, Urban counties is defined as the following counties: Alameda, Contra Costa, Fresno, Kern, Kings, Los Angeles, Madera, Merced, Monterey, Napa, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Tulare, Ventura, Yolo. Rural counties is defined as the following counties: Alpine, Amador, Colusa, Calaveras, Butte, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Lake, Lassen, Marin, Mariposa, Mendocino, Modoc, Mono, Nevada, Placer, Plumas, San Benito, Shasta, Sierra, Siskiyou, Yuba, Tuolumne, Sutter, Tehama, Trinity

Utilization

The second component in our analysis focuses on utilization. We used administrative data sets to analyze use of pharmacy services over a three-year period by looking at utilization of services per 1000 member months by geographic area and sub-population. In addition, we have provided the trends in number of eligible member months for that same time period. Data for examining Medi-Cal utilization come from two sources: program enrollment data and claims data. The results of this analysis in the table below demonstrates that access to pharmacy services has generally remained relatively constant or increased over the three year period even as the number of beneficiaries has increased.

Table 2: Statewide - Total Pharmacy Services per 1,000 Beneficiary Months; Total Number of Beneficiary Months (2007-2009)

	Utilization Per 1000 Member Months				Eligible Member Months			
	2007	2008	2009	% Change	2007	2008	2009	% Change
Adults								
Aged	2,338.4	2,377.3	2,443.2	4%	678,067	706,345	715,256	5%
Blind/Disabled	3,263.5	3,352.7	3,398.2	4%	4,242,292	4,239,662	4,278,516	1%
Families	759.8	769.8	750.7	-1%	2,684,966	2,811,096	3,060,031	14%
Other	1,211.7	1,284.3	1,320.5	9%	626,774	616,916	631,919	1%
Undocumented	183.7	183.2	186.2	1%	6,591,156	6,691,719	7,080,543	7%
All Adults	1,311.5	1,332.6	1,315.2	0%	14,823,255	15,065,738	15,766,265	6%
Children								
Blind/Disabled	1,207.0	1,200.9	1,253.5	4%	998,322	1,013,688	1,024,203	3%
Families	279.6	266.6	276.6	-1%	6,193,245	6,426,891	6,786,250	10%
Foster Care	525.0	512.6	541.7	3%	1,460,289	1,426,497	1,384,179	-5%
Other	312.0	289.8	282.5	-9%	2,741,059	2,705,423	2,777,199	1%
Undocumented	84.8	80.9	81.5	-4%	2,730,654	2,621,597	2,542,338	-7%
All Children	339.2	328.2	337.8	0%	14,123,569	14,194,096	14,514,169	3%

Overall statewide for both adults and children, we see relatively stable rates of utilization of pharmacy utilization over the 3 year period. It is important to note that while the rate of utilization per 1000 member months stayed flat between 2007 and 2009 for all adults and all children, both groups saw an increase in eligible members, indicating that more pharmacy services were being provided.

Table 3: Urban Counties - Total Pharmacy Services per 1,000 Beneficiary Months; Total Number of Beneficiary Months (2007-2009)

	Utilization Per 1000 Member Months				Eligible Member Months			
	2007	2008	2009	% Change	2007	2008	2009	% Change
Adults								
Aged	2,341.4	2,379.6	2,445.8	4%	661,689	687,759	695,014	5%
Blind/Disabled	3,236.4	3,322.4	3,366.6	4%	3,766,407	3,749,053	3,772,314	0%
Families	624.8	626.2	602.2	-4%	1,923,534	2,019,924	2,196,919	14%
Other	1,243.5	1,317.6	1,352.3	9%	574,496	565,064	578,069	1%
Undocumented	182.6	182.3	185.6	2%	6,434,621	6,526,324	6,896,943	7%
All Adults	1,259.7	1,276.3	1,257.8	0%	13,360,747	13,548,124	14,139,259	6%
Children								
Blind/Disabled	1,202.9	1,197.5	1,251.2	4%	888,490	899,967	907,917	2%
Families	253.4	238.7	244.8	-3%	4,594,679	4,766,554	5,002,510	9%
Foster Care	518.7	506.2	537.0	4%	1,337,084	1,302,896	1,261,041	-6%
Other	309.8	286.1	276.9	-11%	2,461,508	2,407,835	2,457,850	0%
Undocumented	84.3	80.3	80.9	-4%	2,656,552	2,547,383	2,465,905	-7%
All Children	327.8	316.0	323.9	-1%	11,938,313	11,924,635	12,095,223	1%

Table 4: Rural Counties - Total Pharmacy Services per 1,000 Beneficiary Months; Total Number of Beneficiary Months (2007-2009)

	Utilization Per 1000 Member Months				Eligible Member Months			
	2007	2008	2009	% Change	2007	2008	2009	% Change
Adults								
Aged	2,217.4	2,293.5	2,353.3	6%	16,378	18,586	20,242	24%
Blind/Disabled	3,477.8	3,584.4	3,633.6	4%	475,885	490,609	506,202	6%
Families	1,100.9	1,136.7	1,128.8	3%	761,432	791,172	863,112	13%
Other	862.0	921.0	978.1	13%	52,278	51,852	53,850	3%
Undocumented	229.9	217.0	206.4	-10%	156,535	165,395	183,600	17%
All Adults	1,785.0	1,834.5	1,814.3	2%	1,462,508	1,517,614	1,627,006	11%
Children								
Blind/Disabled	1,240.2	1,227.3	1,271.4	3%	109,832	113,721	116,286	6%
Families	355.1	346.7	365.8	3%	1,598,566	1,660,337	1,783,740	12%
Foster Care	593.1	580.8	590.2	0%	123,205	123,601	123,138	0%
Other	331.5	319.8	325.2	-2%	279,551	297,588	319,349	14%
Undocumented	102.3	98.6	101.0	-1%	74,102	74,214	76,433	3%
All Children	401.4	391.9	407.1	1%	2,185,256	2,269,461	2,418,946	11%

Similar to the statewide analysis, overall utilization for adults and children in urban counties and in rural counties remained relatively flat while enrollment grew, indicating sufficient access to pharmacy services for the population.

Conclusion

By analyzing both the availability of pharmacy providers and the utilization of pharmacy services during the baseline period, DHCS is able to determine that access during this period was sufficient to meet the needs of the population. Medi-Cal has had consistently high participation by pharmacy providers and utilization rates per 1000 member months have remained relatively constant even during a period of enrollment growth.

DHCS' Approach for Ongoing Access Monitoring

In addition to the baseline assessment described above, DHCS is proposing a monitoring plan to ensure we are able to track changes in the population, provider availability and utilization. This monitoring will allow DHCS to identify potential access issues and develop solutions as necessary. The monitoring plan will be a larger project beyond pharmacy services and will be laid out in more detail in a separate paper, however for purposes of this document we have provided information on the key measures related to assessing access for pharmacy services.

Our basic approach would be to continue to monitor the same measures used in the baseline assessment. Our plan would be to continue to track the following components:

- % Change in Medi-Cal Enrollment
- Pharmacy Provider Participation Rates
- Pharmacy Service Rates per 1,000 Member Months