

**State of New York
Elderly Pharmaceutical Insurance Coverage Program**



**Annual Report
To the Governor & Legislature**

October 2009 to September 2010

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Executive Summary

Background

The Elderly Pharmaceutical Insurance Coverage (EPIC) program is New York's senior prescription plan. Since it began in 1987, EPIC has provided prescription drug coverage to more than 911,000 low and moderate income New York seniors, with EPIC pharmacy payments totaling over \$7.0 billion. This Annual Report summarizes the twenty-third year of program operations from October 1, 2009, through September 30, 2010, and highlights significant program accomplishments.

By using EPIC and Medicare Part D together, members saved just over \$830 million at the pharmacy and the EPIC program achieved \$66.7 million in savings this program year and \$364.8 million in savings since 2006 when Medicare Part D drug coverage became available through the Medicare Modernization Act of 2003.

During the program year we continued to maximize Medicare Part D coverage for EPIC members to reduce State costs and appropriately shift primary drug coverage to Part D drug plans. At the pharmacy, pharmacists were required to contact prescribers to see if Part D formulary drugs could be dispensed instead of non-formulary drugs. With the help of pharmacists and prescribers, EPIC initiated Part D coverage determinations and appeals with the aim of maximizing member Medicare Part D coverage. Enrollment in Medicare Part D increased when nearly 11,000 EPIC members in Medicare Advantage (MA) plans with no drug coverage were transitioned to MAPD (Medicare Advantage Prescription Drug) plans with comparable medical benefits that included drug coverage. EPIC increased the enrollment of eligible members in the Medicare Low Income Subsidy (LIS) and Medicare Savings Programs (MSP) to further reduce drug costs for both members and the program.

Program Overview

All eligible members were required to join a Medicare Part D plan. EPIC provides Part D premium assistance to members enrolled in a Medicare Part D Plan. EPIC assisted 6,589 members in enrolling in Part D plans that best fit their drug needs and allowed them to continue to use their preferred pharmacy. During the program year ending September 2010, over 88 percent of EPIC members were enrolled in a Medicare Part D prescription drug plan and used it as primary coverage. EPIC, as a secondary payer, was used to supplement drug costs not covered by Medicare Part D drug plans including deductibles, coinsurance/co-payments and coverage gap claims. EPIC also paid for drugs in classes not covered by Part D plans, as well as drugs that are not on the Part D plan formularies*. Having Part D as their primary coverage allowed members to maximize their coverage and save, on average, \$2,802 of their total drug cost during the program year.

Acting as the authorized representative, EPIC also assists lower income members to enroll in Medicare's Low Income Subsidy (LIS), known as Extra Help, and the Medicare Savings Program (MSP) which saves them even more money at the pharmacy. Beginning January 1, 2010, the MSP application process was simplified due to the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) administered by the Social Security Administration (SSA). The simplified process facilitated EPIC member enrollment into Extra Help and MSP.

* Effective 10/01/2010, due to a statutory change, EPIC no longer covers Part D non-formulary drugs unless a coverage determination and two levels of appeals have been denied by the Part D plan.

Enrollment

At the end of the program year, 300,774 low and moderate income seniors were enrolled in EPIC with 263,870 enrolled in Part D plans. This represents a 2.26 percent decrease in total EPIC enrollment from the prior program year due to cancellations that were not completely offset by applications. A total of 36,904 members were not enrolled in Medicare Part D because they were either not eligible for Part D or exempt from joining a Part D plan because they: 1) were enrolled in a MA plan or 2) would lose their union/retiree health coverage if they enrolled in Part D.

Costs and Utilization

During the program year, EPIC members filled over 9.7 million prescriptions costing \$930.6 million (Appendix Table IV-A), a 2.7 percent decline in cost from the prior program year. By using EPIC along with Part D, members saved \$830 million of their total drug costs. Pharmacy payments were \$46 million less, a 12.2 percent decrease from the previous year. As the primary payer, EPIC expenditures were 73 percent of members' total drug expenses compared to only 31 percent of the total drug cost when the member had Part D or other drug coverage as primary drug insurance and EPIC provided supplemental coverage only. Members using EPIC as primary coverage saved an average of \$2,453 off their total drug costs.

The 4,566 pharmacies that provided services to EPIC members received \$333.6 million in EPIC payments. Net State costs for the program year were \$120.6 million, a decrease of \$66.7 million from the previous program year. Of the enrolled pharmacies, 51 percent were chain stores, while 49 percent were independent and other types such as institutional pharmacies or nursing homes.

Comparing program year 2008-2009 to 2009-2010, brand name sole source drugs decreased from 34 to 29 percent of the prescriptions purchased, while generic drugs increased from 60 to 64 percent and multi-source brand products stayed the same at 7 percent. Similarly, the substitution rate for drugs with a generic alternative increased from 90 to 92 percent.

In order to identify potential problems and safeguard the health and safety of program members, EPIC continued to monitor members drug use by using both prospective and retrospective drug utilization reviews.

Program Operations

EPIC helped members in a variety of ways by initiating Part D appeals* and providing premium assistance. Program integrity was protected through contract monitoring, auditing and oversight of program operations.

The EPIC Appeals Unit continued to pursue formulary exceptions and prior authorizations from Medicare Part D plans as well as coverage at Level 1 and Level 2 of the appeals process for denied coverage determination requests on behalf of members. Since inception, 6,861 requests were initiated and resulted in savings to EPIC of \$12.9 million and savings to members through lower co-payments.

* Effective 10/01/2010, as a result of statutory change, EPIC no longer initiates Part D appeals for non-formulary drugs but assists prescribers who call the EPIC Temporary Coverage Request (TCR) Helpline by providing information to help them start the Part D appeal process.

EPIC provides Part D premium assistance to all members. For Fee Plan members, EPIC paid up to the Centers for Medicare and Medicaid Services (CMS) benchmark amount (\$33.32 per month for 2010) directly to the Part D plans. Members eligible for premium assistance were identified through a monthly data exchange with the CMS. For the program year, the total premium payments made to Part D plans totaled \$27.0 million. While no payments are made on behalf of Deductible Plan members, the annual EPIC deductible was lowered by \$400 for these members in order to offset the monthly payments that they are responsible for paying directly to the plans.

EPIC contracted services with Health Management Systems (HMS) to recover benefit payments from other major prescription insurance carriers that erroneously were paid by EPIC for members who had Part D or other drug coverage. In the cases where EPIC was billed as the primary payer, \$11.2 million was recovered during the program year. By the end of the program year, a total of \$117.1 million has been recovered since the benefit recovery process began in 2004.

Pharmaceutical manufacturers must enter into formal agreements with EPIC in order to have their drugs included in the program. The manufacturers pay rebates to EPIC in return. The EPIC rebate program invoiced over \$209.3 million in rebate payments during the program year to 310 manufacturers.

EPIC performed audits of selected participating pharmacies. During 2009-2010, EPIC staff conducted 40 pharmacy field audits and 42 desk audits resulting in recoveries of \$176,804. Throughout the program year, EPIC staff monitored contractor compliance against performance standards, through routine and special reviews.

Program year 2009-2010 Conclusions:

- This program year EPIC continued to maximize federal Medicare Part D drug benefits and shifted primary drug coverage from EPIC to Part D by: requiring pharmacists to contact prescribers when a non-formulary drug was prescribed to see if an alternative formulary drug could be substituted; initiating Part D coverage determinations and appeals for medically necessary non-formulary drugs; transitioning members from Medicare Advantage (MA) plans to MAPD (prescription drug) plans with comparable medical benefits; and increasing enrollment in the LIS and MSP programs.
- EPIC continued to provide supplemental drug coverage to members with catastrophic drug costs who reached the Part D coverage gap. Members paid the lowest copayments, coinsurance and deductibles using Part D benefits along with EPIC supplemental coverage.
- EPIC enrollment continued to decline in the lower income groups where Medicare Part D members with LIS have comprehensive drug coverage with no Medicare deductible or coverage gap.

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Section I: About the Program

1. Background

The EPIC program has provided prescription coverage to more than 911,000 New York State seniors since it began in 1987. EPIC income limits were increased in 2001 expanding to more than 375,000 members. With the implementation of Medicare Part D drug coverage in 2006, EPIC gradually transitioned to a supplemental prescription program that provides secondary coverage to Medicare Part D and other insurance plans. Today, EPIC has one of the highest enrollments among State Pharmaceutical Assistance Programs in the nation.

2. Program Description

EPIC is available to New York State residents age 65 or older who meet the income requirements: up to \$35,000 for single seniors, \$50,000 joint income for married individuals. Seniors who receive full Medicaid benefits are not eligible for the program.

EPIC offers two plans based on a sliding scale of income and marital status — the Fee Plan and the Deductible Plan. The Fee Plan is available to seniors with lower incomes, charging an annual fee (from \$8 to \$300 per member) and then requiring only a co-payment that ranges from \$3 to \$20 for prescription drugs.

The Deductible Plan is available to seniors with higher incomes than those in the Fee Plan and was designed to provide catastrophic coverage. Instead of paying an annual fee, seniors have to meet an annual deductible based on their income (from \$530 to \$1,715 per person). Once the deductible is satisfied, seniors are charged only co-payments for their drugs.

3. EPIC and Medicare Working Together

The Medicare Part D prescription benefit became effective on January 1, 2006, and offered comprehensive prescription drug coverage to all Medicare beneficiaries. Subsequently, the role of the State-funded EPIC program was redirected from providing primary prescription drug coverage to one that supplements Medicare Part D drug coverage.

If eligible, EPIC members were required to enroll in a Part D drug plan and use it as primary coverage. As secondary payer, EPIC supplemented drug costs for Part D covered drugs providing greater savings. When prescription drugs were purchased, the member showed both EPIC and Medicare Part D cards at the pharmacy. Any drug costs not covered by Medicare, including deductibles, coinsurance/co-payments, Part D non-covered drugs classes (such as benzodiazepines and barbiturates) and coverage gap claims, were submitted to EPIC. This resulted in the lowest possible co-payment and reduced the State costs for prescription coverage because Part D is the primary insurer rather than EPIC.

In addition, EPIC provided assistance by paying Part D drug premiums for Fee Plan members. While members in the EPIC Deductible Plan must pay the monthly Part D premiums, EPIC lowered their required EPIC deductibles by the average annual premium of a Medicare benchmark drug plan (\$400 in 2010).

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Section II: Enrollment

1. Application and Cancellation Activity

On September 30, 2010, EPIC enrollment was 300,774. This represented a decrease of 6,942 (2.26 percent) members compared to the previous program year. Although applications increased 21 percent from 2008-2009 to 2009-2010 overall enrollment still decreased. Since the average EPIC member is almost 80 years old, cancellation due to death is significant and accounted for more than 11,000 members.

Enrollment has been steadily declining since 2007. This pattern coincides with the implementation of Medicare Part D drug coverage. The largest drop in enrollment came from members in the lower income Fee Plan, where LIS and MSP benefits are available and Part D prescription coverage is provided at no cost, with low co-payments and no coverage gap. Enrollment in the EPIC Deductible Plan continued to increase. Minority enrollment increased from 13.0 percent at the end of 2008-2009 to 13.5 percent at the end of 2009-2010.

Figure 1
Annual Application Activity

Program Year	New Applications Received*	Cancellations	Annual Net Change in Enrollment	Enrollment at End of Program Year
2007-2008	26,075	35,831	(22,347)	323,104
2008-2009	26,485	35,621	(15,388)	307,716
2009-2010	33,673	30,575	(6,942)	300,774

* Not all applications are approved

2. Enrollment by Plan Type

By the end of the program year, 63.8 percent of EPIC members were enrolled in the Fee Plan and 36.2 percent in the Deductible Plan. Enrollment in the EPIC Deductible Plan has steadily increased since 2006 when it was 25.3 percent. There is no cost to join the Deductible Plan which provides a safety net for members with catastrophic drug costs. Any out-of-pocket drug costs not covered by Medicare Part D, including drugs purchased in the coverage gap or non-covered drugs are applied to the EPIC deductible. Once met, EPIC supplements Part D coverage for members by reducing out-of-pocket drug costs.

3. Enrollment in Part D

EPIC requires enrollment in Medicare Part D drug plans in order to provide maximum savings to members as well as to limit State expenditures for benefits. Through extensive enrollment efforts, the program has been able to consistently improve the rates of Part D participation while ensuring the quality of coverage for EPIC members.

4. Medicare Low Income Subsidy (LIS) Application Process

Throughout the year, EPIC sends out Request for Additional Information (RAI) forms to new members or renewing members who are income eligible for LIS from Medicare. As the authorized representative for members, EPIC receives the information and then transmits it electronically to the Social Security Administration (SSA) where it is evaluated for approval of the LIS benefit. LIS is a subsidy from Medicare providing savings for medications. Members approved for full LIS paid \$2.50 for generics and \$6.30 for brand drugs in 2010. Medicare also pays the Part D premiums for the member and there is no Part D coverage gap. In addition, the EPIC enrollment fee is waived for members approved for full LIS. By the end of the program year, EPIC applied to SSA for LIS on behalf of 40,576 members and had a total of 89,336 EPIC members receiving LIS from Medicare.

EPIC facilitates the enrollment of income eligible members who are over the asset limit for LIS in MSP by assisting them with the completion of the MSP application. If approved, Medicare provides assistance for payment of their Medicare Part A and/or Part B premiums and the member also receives LIS from Medicare, which lowers their drug cost. A total of 5,291 applications were submitted to local Department of Social Services offices for processing and 3,231 members were approved by the end of the program year

Beginning January 1, 2010, the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), administered by the Social Security Administration (SSA) has automated the process of applying for the Medicare Savings Program. When EPIC applies electronically to SSA for the Medicare LIS through the RAI process, the application is also submitted to Medicaid for the member to apply for an MSP program.

5. Facilitated Enrollment in Part D Plans

EPIC also facilitates the enrollment of members into Part D plans on a routine basis using Intelligent Random Assignment. This process compares all the benchmark Part D drug plans' formulary drugs (excluding those that require prior authorization or step therapy) to drugs the member purchased during the last three months at a local pharmacy. It then identifies the plan that covers all or most of the member's drugs. If multiple plans cover the same number of drugs, the member is randomly assigned to one of those plans. This maximizes the Part D plan benefit for EPIC members. During the program year, the number of new members that were facilitated into Part D drug plans was 6,589. EPIC reassigned 7,001 members into new Part D plans effective January 2010 because the plan they were enrolled in was no longer designated a benchmark plan by CMS in 2010.

Figure 2
Part D Enrollment

Category	September 2008	September 2009	September 2010
Total EPIC Enrollees	323,104	307,716	300,774
Part D Members	262,742	254,747	263,870
Percent Part D	81%	83%	88%
Receiving LIS/Deemed	78,342	77,864	89,436
Exempt/Not Eligible	60,362	52,969	36,904

6. Exemption from Part D

Most EPIC members are required to join Medicare Part D drug plans. There are a few exceptions. These include members who are not eligible for or enrolled in Medicare Part A or Part B; those in Medicare Advantage health plans whose cost sharing would be significantly increased if they joined Part D and those with union or retiree coverage who would lose, or their family member would lose, health coverage by joining Part D. As of September 30, 2010, a total of 36,904 EPIC members were not eligible for Part D or exempt from the Medicare Part D drug plan requirement and EPIC provided primary drug coverage during the program year. The number of member exemptions was higher last program year because we transitioned almost 11,000 members from MA only to MAPD plans during this program year.

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Section III: Costs and Utilization

1. Costs

a. Overview

A total of 305,108 seniors used their EPIC benefits to fill one or more claims during the program year, purchasing approximately 9.7 million prescriptions at a total cost of \$930.6 million. By using EPIC and Part D, members saved just over \$830 million at the pharmacy. Of the \$830 million, \$333.5 million is attributable to EPIC supplemental coverage. After deducting member fees, rebates from manufacturers, and coordination of benefit recoveries from Part D plans or other insurers and adding the cost of Medicare Part D premiums, the net cost to the State was \$120.6 million (Appendix Table IV-A) a savings of \$66.7 million from 2008-2009. EPIC participants purchased prescriptions at an average annual cost of \$3,050 per year and saved \$2,721 (89 percent) after paying EPIC co-payments and deductibles.

b. Deductible Plan and Fee Plan Utilization

Enrolled for a full year with EPIC and Part D

EPIC Deductible Plan seniors averaged \$3,565 in total drug costs and saved on average 83.5 percent using EPIC and Medicare. Members in the Fee Plan averaged \$3,254 in total drug costs and saved an average of 93.6 percent with EPIC and Medicare. EPIC members with LIS averaged \$2,862 in total drug costs and saved on average 96.2 percent using EPIC and Medicare. It should be noted that the total drug costs for members with LIS are lower than other Part D members because some claims are not submitted to EPIC as a secondary payer. The co-payments of \$2.50 for generic drugs are lower than the \$3.00 minimum EPIC co-payments. During the 2009 calendar year, 69,026 (44 percent) of EPIC members enrolled in Part D for a full year reached the Part D coverage gap and, of the 69,026, 19,580 (28.4 percent) reached catastrophic coverage.

Enrolled for a full year with EPIC Alone (Not Enrolled in Part D)

EPIC Fee Plan members averaged \$3,368 in total drug costs and saved an average of 89.8 percent when using EPIC as their primary prescription insurance. EPIC Deductible Plan members averaged \$2,621 in total drug costs and saved 73.3 percent using EPIC as their primary prescription insurance. The savings is less because these members have a higher deductible than those in Part D plans.

Members Who Reached Their EPIC Deductible Limit or Co-payment Limit

A total of 70,596 EPIC Deductible Plan members reached the EPIC annual deductible limit by program year end. There were 4,128 members who reached their annual out-of-pocket co-payment limit by program year end. After reaching the limit, members do not have to pay any additional co-payments for drugs purchased for the remainder of their annual coverage year (Appendix Table IV-B).

2. Claims, Expenditures, Revenue and Utilization

EPIC members filled approximately 9.7 million prescriptions during the 2009-2010 program year at a total cost of \$930.6 million, which represents a 2.7 percent decrease in cost compared to the prior year. Payments to pharmacies decreased \$46 million (12.2 percent) from the prior year. The net EPIC State cost was \$120.6 million (a reduction of \$66.7 million from the previous program year) due to revenue received from manufacturer rebates and member fees, less the co-payments and EPIC deductibles paid by members, claims paid in part by Medicare or other third party insurers at the point of sale and through retroactive claim recoveries. EPIC member out-of-pocket costs averaged 10.7 percent of the average total cost of the drugs (Appendix Table IV-A).

3. EPIC and Medicare Part D Coordination of Benefit Outcomes

The maximization of Medicare Part D by coordinating benefits with other insurance when drugs are purchased at the pharmacy resulted in substantial savings to the EPIC program. During the 2009-2010 program year, 8.5 million claims (83.7 percent) were billed to EPIC as the secondary payer. Medicare and other primary prescription insurance plans paid \$496.5 million, an increase of \$28.5 million from the previous program year, on those claims saving EPIC 53.4 percent of the total cost of drugs (Appendix Table XII).

4. EPIC Mandatory Generic Drug Substitution Program

In October 2008, EPIC implemented a mandatory generic drug substitution program. This program requires the substitution of brand name multi-source drugs for a specific list of drugs with an "A" rated generic equivalent when EPIC pays for the claim as the primary insurer. A brand named multi-source drug is only covered if a prescriber obtains a prior authorization from EPIC. If the prescriber cannot be reached, a three-day (72-hour) emergency supply prior authorization may be obtained by the dispensing pharmacist. Emergency overrides also may be granted to pharmacies if a generic equivalent is in short supply.

During the program year, EPIC had approved approximately 1,500 medically necessary prior authorizations out of more than 11,000 claims that were denied for the mandatory generic substitution requirement. The number of authorizations dropped by approximately 2,500 from the previous program year due to the fact that such authorizations are long term and Part D participation increased. Savings to the EPIC program has been estimated at about \$400,000 by program year end. If a prescription drug is changed by the prescriber to a generic at the point of sale, Medicare Part D may pay the claim as primary. Therefore, the actual savings is most likely higher. The generic substitution rate by the end of September 2009 was 90 percent; by the end of September 2010, the generic substitution rate rose to 92 percent.

5. EPIC Two-Year Enrollment and Cost Projections

Enrollment and cost projections for the next two years (Figure 3) reflect a number of recent trends and developments including the savings generated by the implementation of the Medicare Part D drug benefit, provisions of the Patient Protection and Affordable Care Act, and the implementation of EPIC effective January 1, 2012 as supplemental coverage for drugs that are first covered by Medicare Part D only when a member is in the coverage gap. These program changes are expected to result in payments to pharmacies projected at \$235

million in the 2010-2011 program year and \$107 million in 2011-2012. Net State costs are projected to be \$73 million in program year 2010-2011 and \$96 million in 2011-2012.

**Figure 3
Two-Year Enrollment and Cost Projections
(Dollars in Millions)**

Category		Oct 2009 - Sept 2010	Oct 2010 - Sept 2011	Oct 2011- Sept 2012
Enrollment		300,774	286,536	276,732
Total Cost of Drugs		\$930.6	\$894.4	\$333.6
EPIC Expenditures		\$333.6	\$234.7	\$106.6
Premium Payments		\$27.0	\$29.0	\$39.8
Revenues	Fees	\$17.6	\$13.2	\$1.7
	Benefit Recovery	\$13.1	\$7.8	\$4.0
	Rebates	\$209.3	\$169.7	\$44.7
	Total Revenues	\$240.0	\$190.7	\$50.40
Net State Costs = (Expenditures + Premiums – Revenue)		\$120.6	*\$73.0	**\$96.00

* Net State Costs are lower based on the timing of rebate receipts.

** Beginning January 1, 2012 the EPIC Program will only cover drugs in a member's Medicare Part D coverage gap.

6. Payments to Pharmacies

Across New York State, 4,566 pharmacies provided services to EPIC members this year. Pharmacies received \$333.6 million in EPIC payments. Each pharmacy received an average annual payment of \$73,053 (Appendix Table XI).

More than half (51 percent) of enrolled pharmacies are chain stores, 47 percent are independently operated and the rest are institutions or mail order pharmacies. Chain stores received 65 percent of EPIC expenditures during the current program year, while independent pharmacies received 34 percent (Appendix Table X).

7. EPIC Utilization

a. Top Medications Used by EPIC Members

Of the 10 most frequently purchased drugs by therapeutic classification (Appendix Table VII), 6 classifications comprised 29 percent (3 percent more than 2008-2009) of the claims for the program year and are used to treat cardiac disease or hypertension. Antidepressants, proton-pump inhibitors (for gastrointestinal disorders), opiate agonists (for pain), and thyroid agents account for the balance of the most frequently utilized therapeutic classes in the EPIC program.

b. Brand versus Generic Drug Use

Sole source drugs constituted 29 percent of the prescriptions purchased while generic drugs accounted for 64 percent which represents a 4 percent shift from sole source to generic drugs

from 2008-2009. The use of brand multi-source products was 7 percent. During the program year, the substitution rate for drugs with a generic alternative rose by 2 percent to 92 percent, a rate comparable to programs with strong generic incentives. Under the New York State mandatory generic drug substitution requirement, a generic drug must be dispensed when a multi-source product is prescribed, unless the prescriber indicates that the brand name product is required. The EPIC mandatory generic drug substitution program was established in October 2008, which requires prior authorization for EPIC coverage of multi-source brands.

c. Therapeutic Drug Monitoring: Pro-DUR System

In response to concerns about overuse and misuse of medications by members, the EPIC Therapeutic Drug Monitoring (TDM) system attempts to identify potential problems through its Prospective Drug Utilization Review (Pro-DUR) to safeguard members' health and safety. By issuing a "drug alert," the Pro-DUR system notifies the pharmacist at the point of sale of possible inappropriate drug therapy such as: drug-to-drug interactions, therapeutic duplications or early refills. The system compares the drugs dispensed for that member over the last three months at any of the 4,500 participating EPIC pharmacies to identify potential clinical issues when a new or refill prescription is being filled. When potential problems are identified, the Pro-DUR system issues a drug alert and the pharmacist then exercises clinical judgment in dispensing the medication.

Approximately 9.7 million prescriptions were submitted electronically and processed by the EPIC online point of sale system during the past program year. If the claims are suspended for potential therapeutic problems, pharmacists are alerted and complete clinical reviews, which may include contacting the prescriber, before dispensing medication. As a result of these alerts and clinical reviews, some prescriptions were not filled, thereby preventing possible adverse consequences and saving the program money.

d. Therapeutic Drug Monitoring: Retro-DUR System

Additionally, the EPIC TDM system tries to identify medication problems with its Retrospective Drug Utilization Review (Retro-DUR) System. The Retro-DUR System identifies potential drug therapy that may be inappropriate over time and communicates these findings directly to prescribers. Following clinical reviews by EPIC pharmacists, prescribers are sent informational letters and detailed claims profiles for selected members.

Using specific therapeutic criteria that are ranked by severity level, staff pharmacists reviewed 750 selected member medication histories every month during the program year, for a total of 9,000 clinical reviews in 2009-2010. As a result, 1,129 letters were sent to prescribers on behalf of 539 members, advising them of potential problems with drug interactions, duplicative therapies, overuse or the use of multiple pharmacies or multiple prescribers. Over 30 percent of prescribers receiving the letters responded thanking EPIC for the information.

Section IV: Program Operations

1. Outreach

a. Outreach Operations

Outreach is accomplished in a variety of ways to attract new members and to educate current members about how to coordinate their benefits by using EPIC with Medicare Part D or other prescription drug coverage.

- Partnerships - The New York State Office for the Aging (NYSOFA) also maintained a Hot Line and website that provided information about EPIC. During the program year, NYSOFA staff handled EPIC-related telephone calls and referred numerous callers to the EPIC Helpline. The Health Insurance Information Counseling and Assistance Program (HIICAP) administered by NYSOFA, New York City Department for the Aging (NYC DFTA) and the Medicare Rights Center are partners with EPIC and assist members and advocate for them. EPIC also worked with CMS and SSA to secure low income subsidies and other benefits for eligible members.
- Helpline - The EPIC Helpline provided support and assistance to members, caregivers and applicants by responding to 505,286 calls during the program year. In addition, the Provider Helpline responded to 135,552 calls from pharmacists. There also were 26,203 written requests from seniors for information about the program. The EPIC Helpline phone number is 1-800-332-3742 or TTY 1-800-290-9138.
- Internet Services - The EPIC website <http://www.health.ny.gov>, (EPIC for Seniors) provides additional resources for individuals interested in obtaining program information. The Department of Health reported 122,298 visitors to the EPIC homepage with over 46,200 hits on applications and 43,800 on coordination of benefits, with over 21,600 looking into Part D plans. Additionally, interested parties contacted EPIC electronically at <mailto:EPIC@health.state.ny.us>. There were 1,447 email inquiries received through the mail log during the 2009-2010 program year and an additional 67,600 email letters sent to prescribers and providers notifying them of changes to the program effective October 1, 2010.
- EPIC Letters - Written communication is a primary means of explaining program changes to members, providers and prescribers. In addition to specialized messaging and letters sent to individuals, the EPIC program also mailed 1,062,234 large-scale system generated letters involving eligibility and enrollment issues, including changes in status and coverage.
- EPIC Materials - A variety of materials were developed to explain how the EPIC benefit works with Medicare Part D. The materials were continuously revised to incorporate new information, such as statutory changes and updated pricing. Items developed for distribution and training include: EPIC identification cards, brochures, fact sheets/flyers, posters, bulletins, forms/applications and PowerPoint presentations. Select items, including updated Program Highlights fact sheets, were translated into Spanish, Chinese and Russian. Two general information sheets also continued to be distributed in Braille. An EPIC Information Sheet (translated into the following languages: Arabic, Haitian Creole, Korean, Italian, Russian, Polish, Chinese and Yiddish) is used to promote the program in minority neighborhoods and among disparate populations.

b. Community Events

Community outreach continued to be the primary strategy for distributing program information and increasing EPIC program awareness. During the program year, outreach representatives participated in 4,650 events that promoted EPIC to 410,803 seniors and agency staff. Of these events, a total of 1,041 information, enrollment and training sessions were attended by 22,302 seniors and agency staff. The programs were discussed at senior centers, libraries, pharmacies, senior housing facilities and health/wellness fairs. These and other special programs were sponsored by state legislators and other county and local officials.

There were 1,272 EPIC events that were specifically intended to reach diverse ethnic and minority communities that included African Americans, Hispanics, Asians and Russians, as well as individuals with disabilities. One-third of the EPIC outreach staff includes bilingual representatives.

A total of 206,448 EPIC enrollment applications and brochures were distributed to seniors, family members and caregivers as well as pharmacies, legislators and health care providers. EPIC annual outreach cost effectiveness was based on the yearly staffing cost of EPIC outreach representatives and the distribution of brochures, which generated 33,673 new applications at a cost of \$22.89 per application. Applications are available in English and Spanish.

Outreach representatives also distributed materials and attended events aimed at enrolling individuals in the New York Prescription Saver (NYPS). This is a discount prescription card program that was introduced in April 2009 and is administered by EPIC through its contractor. The card is available to income eligible New York State residents who are 50 to 64 years of age or persons of any age, who have been determined disabled by SSA. The income limits are the same as those of the EPIC program. At the end of September 2010, enrollment in NYPS was 14,567 and 48 percent of enrollees are individuals who have been determined disabled by the SSA. Applicants can apply on-line at <http://nyprescriptionsaver.fhsc.com> or call the NYPS Helpline at 1-800-788-6917 (or TTY 1-800-290-9138) for more information or to complete an application over the phone. The NYPS website had over 20,000 visitors between April 1, 2009, and September 30, 2010.

2. Contractor Performance

The EPIC program is administered by a fiscal intermediary contractor secured through a competitive procurement process. Major operational functions are performed by the contractor including: application and enrollment processing, member and provider relations, pharmacy enrollment and reimbursement, claim processing, outreach and systems development, as well as support to the State operation of the Manufacturer Rebates and TDM programs.

Throughout the program year, State staff monitored contractor compliance with the contract performance standards through routine and special reviews, emphasizing areas that directly affect members and pharmacy providers. Development and testing for the new Temporary Coverage Request (TCR) Helpline and claims processing edits were completed in preparation for the statutory changes that were signed into law and scheduled to be implemented on October 1, 2010.

Overall, the contractor continued to exhibit commitment to the success of the EPIC program. The contractor printed and mailed over 304,000 EPIC identification cards with new ID number successfully protecting the privacy of members in response to a change in NYS Public Officer's Law § 96-a. The statutory amendment prohibits State programs from using Social Security numbers (SSN) on any card required for persons to access services or benefits provided by the State. The format for the new ID number is nine characters and begins with the letters EP followed by seven numbers (i.e. EP1234567). The card was redesigned and follows industry standards defined by the National Council of Prescription Drug Programs. Additionally, the new card, without a printed expiration date, provides savings since renewal cards are no longer issued.

3. EPIC Medicare Part D Appeal Process*

The EPIC Appeals Unit continued to pursue formulary exceptions and prior authorizations from Medicare Part D plans on behalf of its members. During this program year, EPIC started Level 1 and Level 2 appeals for drugs denied during the coverage determination process. A total of 6,861 coverage determination requests were initiated since the 2008 inception resulting in savings to EPIC of \$12.9 million and savings to members through lower co-payments.

4. Medicare Part D Premium Payments

EPIC is required by law to pay a portion of the Part D monthly premium that is the responsibility of Fee Plan members. While no payments are made on behalf of the Deductible Plan members, their deductible is lowered by an equal amount (\$400 for 2010) to offset the monthly payments. The law limits EPIC payments to the benchmark or basic plan amount (\$33.32 per month for 2010) established by CMS each calendar year.

* Effective 10/01/2010, as a result of a statutory change, EPIC no longer initiates Part D appeals for non-formulary drugs but assists prescribers who call the EPIC Temporary Coverage Request (TCR) Helpline by providing information to help them start the appeal process.

Each month, EPIC calculates and remits payment to Part D carriers for Fee Plan members based on their enrollment in a Part D plan as identified through a monthly data exchange with CMS. EPIC payments are made based exclusively on CMS data, which is the same data utilized to coordinate EPIC coverage with Part D coverage at the pharmacy. Any necessary EPIC payment adjustments are processed in a subsequent month's routine payment based on updated data received through CMS. Medicare makes monthly premium payments up to the benchmark amount for individuals who are approved for a full or partial subsidy. If necessary, EPIC will augment the premium payment that is paid by Medicare for partial or full LIS members up to the benchmark amount.

Each plan is sent a monthly Premium Remittance Advice (PRA) file, which contains the member-level detail that supports the monthly payment amount. Premium payments made to plans, for the period of October 1, 2009, through September 30, 2010, totaled \$27 million, an average of \$2.25 million per month.

5. Retrospective Benefit and Plan Recovery Program

EPIC contracts with Health Management Systems (HMS), an independent contractor, to pursue claim recoveries from Part D drug plans and other major prescription insurance carriers. These are claims that were paid by EPIC as the primary payer but should have been paid primary by Medicare or other insurers and secondary by EPIC.

HMS executed data sharing agreements with a number of major insurance carriers and Medicare Managed Care plans. These accounted for a majority of EPIC members with other prescription coverage. After receiving EPIC enrollment and claims data, HMS performs matches of the EPIC data against other insurer databases to identify members with other prescription coverage. Since the inception of the Retrospective Benefit Recovery Program, \$117.1 million has been recovered of which \$11.2 million was for the program year of 2009-2010.

The EPIC program also received \$1.9 million in recoveries from Part D plans. The plan recoveries were due to retroactive approvals for LIS.

6. Manufacturer Rebates

The EPIC program requires drug manufacturers to have rebate agreements in order for their drugs to be covered. EPIC maintained agreements with 310 manufacturers, an 11 percent decrease from last program year (due to: mergers, business closures and non-participation terminations), which ensured that most pharmaceuticals were covered by the program. Quarterly invoices sent to manufacturers contained a detailed listing of the drugs and quantities that were purchased by EPIC members and the manufacturers paid rebates back to EPIC for those medications. During the 2009-2010 program year, the Manufacturer Rebates Program invoiced over \$209.3 million in rebate payments. In total, \$2.1 billion in rebate payments have been invoiced since 1991, with over 9.9 percent of that amount invoiced in 2009-2010.

**Figure 4
Manufacturer Rebates**

Rebate Year	Total Manufacturer Rebate Payments
Program Life	\$2,105,345,857
04/91-9/91	\$3,475,121
10/91-9/92	\$8,676,544
10/92-9/93	\$10,206,040
10/93-9/94	\$10,475,058
10/94-9/95	\$12,103,099
10/95-9/96 [*]	\$15,079,708
10/96-9/97	\$21,459,988
10/97-9/98	\$22,991,368
10/98-9/99	\$28,160,422
10/99-9/00	\$35,246,774
10/00-9/01 ^{**}	\$66,471,413
10/01-9/02 ^{***}	\$116,396,192
10/02-09/03	\$159,650,887
10/03-09/04	\$184,095,071
10/04-09/05	\$246,214,041
10/05-09/06 ^{****}	\$295,721,272
10/06-09/07	\$263,864,871
10/07-09/08	\$226,262,168
10/08-09/09	\$169,494,340
10/09-9/10 ^{*****}	\$209,301,480

Footnotes:

^{*} New rebate formula based on total cost of drugs implemented July 1, 1996.

^{**} Modified CPI- component added to rebate formula effective October 1, 2000.

^{***} Full CMS CPI- component added to rebate formula effective April 1, 2002.

^{****} Medicare Part D coverage became effective the first quarter of 2006.

^{*****} Increases in rebate percentages for covered outpatient drugs under the Affordable Care Act effective January 1, 2010.

7. Audit Functions

EPIC verifies that pharmacies are in good standing with the Medicaid Program. During the program year, EPIC performed on-site and desk audits of selected participating pharmacies. Audit staff directly verified the validity of claim information at the pharmacy by reviewing paper and electronic prescriptions to support claims submitted electronically to EPIC. This process was used to confirm claim reimbursements were appropriate and correct by the program. In 2009-2010, the EPIC audit unit completed 40 pharmacy field audits and 42 desk audits that resulted in recoveries of \$176,804 due to erroneous billings.

EPIC also continued its Verification of Benefits (VOB) process to identify potential inappropriate billing. More than 144,000 members, whose drug utilization met specific criteria, were asked through the VOB process to verify that they received the drugs billed on their behalf. More than 42 percent of the selected members responded. All negative responses were referred to the EPIC audit team for further investigation.

Section V: Conclusion

The EPIC program provided benefits to 305,108 seniors during the program year. The total net State costs continued to decrease and were \$120.6 million, a reduction of \$66.7 million from the previous program year (Appendix Table IV-A). EPIC continues to maximize Medicare Part D coverage for members and is the secondary payer at the pharmacy, through the point of sale claims processing for members with Part D coverage. This resulted in savings of more than \$496.5 million for EPIC during the year, an additional \$28.5 million from the last program year (Appendix Table XII).

EPIC provided supplementary coverage to 69,026 members who reached the Medicare Part D coverage gap and 19,580 who required catastrophic coverage. EPIC covered the Part D deductible and supplemental co-payments for the remaining 175,264 members. EPIC also provided Part D premium assistance for members enrolled in Part D drug plans and initiated Part D appeals on behalf of members for drugs that were not covered by Medicare drug plans.

By September 30, 2010, enrollment declined to 300,774 members (2.26 percent). Although, the number of applications increased from the previous year by 6,000, the program had a high number of cancellations. More than 11,000 deceased members were canceled from the program. Cancellations by members in the lower income Fee program also increased because they were eligible for LIS or MSP which provided them with comprehensive drug coverage from Medicare Part D with no deductible or coverage gap and low co-payments. Throughout the upcoming program year, EPIC will continue to assist eligible members with the coordination of their Medicare Part D and EPIC benefits to ensure they have comprehensive drug coverage and achieve even greater savings.

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EPIC Program Annual Report 2009-2010 Appendix

Table I: Applications and Enrollment by County

Table II: Enrollment Changes by County

Table III: Utilization by Coverage Type, Marital Status and Income

**Tables IV-A: Claims, Expenditures and Revenue by Program Year;
IV-B: Payment and Utilization by Program Year**

**Tables V-A: Distribution of Drug Claims by Volume and Total Prescription Cost;
V-B: Distribution of Drugs Purchased by Total Prescription Cost**

Table VI: 300 Most Frequently Purchased Drugs

**Table VII: Ten Most Frequently Purchased Types of Drugs by Therapeutic
Classification**

Table VIII: Twenty Most Frequently Purchased Drugs

Table IX: Top Twenty Drugs Based on EPIC Payments

Table X: Distribution of Claims and Payments by Pharmacy Type

Table XI: Active Pharmacies, Claims and Payments by County

**Table XII: Distribution of Claims and Expenditures by Status of Medicare Part D
Enrollment**

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EPIC Program Annual Report 2009-2010 Appendix: Table I

**Table I
Applications and Enrollment by County***

County	Applications Received 10/09-9/10	Applications Received 10/87-9/10	Enrollment as of 9/30/10
Albany	349	16,019	4,622
Allegany	127	4,214	1,379
Broome	527	17,962	5,480
Cattaraugus	327	9,232	3,134
Cayuga	112	6,112	1,995
Chautauqua	531	16,946	5,655
Chemung	243	8,601	2,448
Chenango	162	5,714	1,905
Clinton	176	6,039	1,899
Columbia	161	5,421	1,696
Cortland	108	4,260	1,358
Delaware	98	5,169	1,551
Dutchess	449	13,876	4,048
Erie	2,904	82,078	26,799
Essex	70	2,979	900
Franklin	104	4,199	1,248
Fulton	120	5,707	1,771
Genesee	218	5,850	2,187
Greene	114	4,582	1,334
Herkimer	203	7,842	2,581
Jefferson	208	8,924	2,763
Lewis	85	2,805	969
Livingston	164	4,749	1,729
Madison	145	5,607	1,856
Monroe	2,303	42,088	14,526
Montgomery	156	6,629	2,062
Nassau	2,010	70,685	19,012
Niagara	678	18,019	5,985
Oneida	614	21,782	6,615
Onondaga	1,081	30,321	9,437
Ontario	280	8,299	2,764
Orange	521	18,263	5,192
Orleans	194	3,334	1,264
Oswego	327	10,739	3,509
Otsego	128	5,674	1,676
Putnam	177	4,704	1,447
Rensselaer	276	9,316	2,862
Rockland	376	13,562	3,566
Saint Lawrence	210	10,307	2,640

Table I - continued

County	Applications Received 10/09-9/10	Applications Received 10/87-9/10	Enrollment as of 9/30/10
Saratoga	382	9,541	3,727
Schenectady	198	4,382	2,576
Schoharie	96	1,951	862
Schuyler	37	2,100	488
Seneca	53	7,123	698
Steuben	226	7,454	2,373
Suffolk	2,246	77,524	21,567
Sullivan	153	5,983	1,554
Tioga	135	4,107	1,273
Tompkins	112	4,328	1,261
Ulster	345	12,030	3,559
Warren/Hamilton	251	5,949	2,044
Washington	215	5,319	1,916
Wayne	317	7,900	2,688
Westchester	1,013	44,158	11,104
Wyoming	137	3,958	1,495
Yates	78	2,493	900
Upstate Subtotal	23,030	734,909	223,949
Bronx	1,588	70,180	9,378
Kings	3,165	54,639	22,571
New York	1,791	43,013	13,623
Queens	3,396	85,785	26,082
Richmond	703	17,198	5,171
NYC Subtotal	10,643	270,815	76,825
Statewide Total	33,673	1,005,724	300,774

* Table I represents the applications received and enrollment by county for the program year (October 2009-September 2010) as well as total applications received since the program began in October 1987.

EPIC Program Annual Report 2009-2010 Appendix: Table II

Table II
Enrollment Changes by County*

County	Enrollment as of 9/30/09	Enrollment as of 9/30/10	Total Change	Percent Change
Albany	4,893	4,622	(271)	-5.54%
Allegany	1,385	1,379	(6)	-0.43%
Broome	5,594	5,480	(114)	-2.04%
Cattaraugus	3,182	3,134	(48)	-1.51%
Cayuga	2,110	1,995	(115)	-5.45%
Chautauqua	5,815	5,655	(160)	-2.75%
Chemung	2,488	2,448	(40)	-1.61%
Chenango	1,952	1,905	(47)	-2.41%
Clinton	1,915	1,899	(16)	-0.84%
Columbia	1,760	1,696	(64)	-3.64%
Cortland	1,398	1,358	(40)	-2.86%
Delaware	1,635	1,551	(84)	-5.14%
Dutchess	4,096	4,048	(48)	-1.17%
Erie	26,955	26,799	(156)	-0.58%
Essex	920	900	(20)	-2.17%
Franklin	1,284	1,248	(36)	-2.80%
Fulton	1,865	1,771	(94)	-5.04%
Genesee	2,177	2,187	10	0.46%
Greene	1,396	1,334	(62)	-4.44%
Herkimer	2,634	2,581	(53)	-2.01%
Jefferson	2,856	2,763	(93)	-3.26%
Lewis	986	969	(17)	-1.72%
Livingston	1,730	1,729	(1)	-0.06%
Madison	1,958	1,856	(102)	-5.21%
Monroe	14,057	14,526	469	3.34%
Montgomery	2,168	2,062	(106)	-4.89%
Nassau	19,530	19,012	(518)	-2.65%
Niagara	6,070	5,985	(85)	-1.40%
Oneida	6,771	6,615	(156)	-2.30%
Onondaga	9,642	9,437	(205)	-2.13%
Ontario	2,843	2,764	(79)	-2.78%
Orange	5,316	5,192	(124)	-2.33%
Orleans	1,196	1,264	68	5.69%
Oswego	3,616	3,509	(107)	-2.96%
Otsego	1,737	1,676	(61)	-3.51%
Putnam	1,430	1,447	17	1.19%
Rensselaer	2,960	2,862	(98)	-3.31%
Rockland	3,716	3,566	(150)	-4.04%
Saint Lawrence	2,689	2,640	(49)	-1.82%

Table II - continued

County	Enrollment as of 9/30/09	Enrollment as of 9/30/10	Total Change	Percent Change
Saratoga	3,842	3,727	(115)	-2.99%
Schenectady	2,744	2,576	(168)	-6.12%
Schoharie	866	862	(4)	-0.46%
Schuyler	519	488	(31)	-5.97%
Seneca	748	698	(50)	-6.68%
Steuben	2,391	2,373	(18)	-0.75%
Suffolk	22,228	21,567	(661)	-2.97%
Sullivan	1,657	1,554	(103)	-6.22%
Tioga	1,279	1,273	(6)	-0.47%
Tompkins	1,307	1,261	(46)	-3.52%
Ulster	3,709	3,559	(150)	-4.04%
Warren/Hamilton	2,049	2,044	(5)	-0.24%
Washington	1,912	1,916	4	0.21%
Wayne	2,706	2,688	(18)	-0.67%
Westchester	11,711	11,104	(607)	-5.18%
Wyoming	1,521	1,495	(26)	-1.71%
Yates	898	900	2	0.22%
Upstate Subtotal	228,812	223,949	(4,863)	-2.13%
Bronx	9,717	9,378	(339)	-3.49%
Kings	23,195	22,571	(624)	-2.69%
New York	14,143	13,623	(520)	-3.68%
Queens	26,624	26,082	(542)	-2.04%
Richmond	5,225	5,171	(54)	-1.03%
NYC Subtotal	78,904	76,825	(2,079)	-2.63%
Statewide Total	307,716	300,774	(6,942)	-2.26%

* Table II represents the enrollment for the program year (October 2009-September 2010) as well as the previous program year and indicates the change in enrollment.

EPIC Program Annual Report 2009-2010 Appendix: Table III

Table III
Utilization by Coverage Type, Marital Status and Income*

Demographic	Category	Participants	EPIC Payments	Participant Copays	Participant Deductibles**	Third Party Payments***
Coverage Type	Fee Program	63.1%	\$211,943,734	\$39,757,431	\$649,438	\$328,471,907
	Deductible Program	36.9%	\$121,614,177	\$18,895,093	\$41,202,524	\$168,082,076
Marital Status	Married, Living Apart	1.7%	\$5,817,434	\$1,016,431	\$210,302	\$9,690,486
	Married	32.1%	\$104,430,471	\$16,563,490	\$24,192,217	\$155,345,673
	Single	66.2%	\$223,310,006	\$41,072,603	\$17,449,443	\$331,517,824
Annual Income	\$5,000 or Less	1.4%	\$3,528,719	\$574,717	\$6,693	\$7,609,719
	\$5,001 – \$10,000	7.6%	\$16,255,696	\$3,271,105	\$45,786	\$40,093,656
	\$10,001 – \$15,000	24.2%	\$59,030,111	\$12,616,899	\$127,290	\$135,842,273
	\$15,001 – \$20,000	22.8%	\$98,716,556	\$17,700,244	\$302,612	\$111,541,117
	\$20,001 – \$25,000	16.3%	\$70,375,853	\$11,726,053	\$7,320,959	\$74,699,588
	\$25,001 – \$30,000	10.9%	\$40,957,317	\$6,410,342	\$10,208,498	\$51,175,416
	\$30,001 – \$35,000	7.4%	\$22,319,722	\$3,321,722	\$9,688,432	\$34,516,796
	\$35,001 – \$40,000	4.0%	\$10,453,146	\$1,442,779	\$5,655,844	\$17,672,531
	\$40,001 – \$45,000	3.3%	\$7,607,712	\$1,037,771	\$5,148,962	\$14,809,078
\$45,001 – \$50,000	2.1%	\$4,313,079	\$550,892	\$3,346,886	\$8,593,809	
Total	All	100.0%	\$333,557,911	\$58,652,524	\$41,851,962	\$496,553,983

* Table III provides the percent of participants by Coverage Type, Marital Status and Income for the program year (October 1, 2009 through September 30, 2010) as related to EPIC Payments, Participant Copays, and Participant Deductibles.

** The Deductible Program participants who changed to Fee Program participants during the program year result in Deductible totals in the Fee-related rows in this table.

*** Medicare Part D or other insurance payers.

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EPIC Program Annual Report 2009-2010 Appendix: Tables IV-A and IV-B

**Table IV-A
Claims, Expenditures and Revenue by Program Year***

Description	Category	Twenty-first (2007-2008)	Twenty-second (2008-2009)	Twenty-third (2009-2010)
Number of Claims	Co-payment	9,192,928	8,541,283	8,070,456
	Deductible	1,477,951	1,587,704	1,607,887
	Total Claims	10,670,879	10,128,987	9,678,343
Expenditures	Total Cost of Drugs	\$1,090,587,079	\$956,536,482	\$930,616,380
	less Third Party Payments**	\$518,118,379	\$468,037,216	\$496,553,983
	less Participant Co-payments	\$77,150,989	\$64,758,593	\$58,652,524
	less Deductible Payments	\$44,412,254	\$43,836,044	\$41,851,962
	Total EPIC Expenditures	\$450,905,457	\$379,904,629	\$333,557,911
Plus Premium	Payments***	\$25,924,547	\$27,466,913	\$26,976,400
Less Revenue	Manufacturers' Rebates	\$226,262,168	\$169,494,340	\$209,301,480
	plus Participant Fees	\$18,746,354	\$17,117,037	\$17,563,017
	plus Benefit Recovery****	\$40,959,794	\$33,477,058	\$13,093,195
	Total Revenue	\$285,968,316	\$220,088,435	\$239,957,682
Net State Cost = (Expenditures+Premiums-Revenue)		\$190,861,688	\$187,283,107	\$120,576,619

* Table IV-A represents Claims, Expenditures and Revenue by Program Year up to October 2009-September 2010.

** Estimated Third Party Payments from Medicare Part D coverage and other insurers.

*** Premium Payments reflects a 1.1% Federal Medical Assistance Percentage reduction for August and September 2010.

**** Retroactive Third Party Benefit recoveries from Medicare and other insurers as well as plan recoveries.

**Table IV-B
Payment and Utilization by Program Year***

Paid Claims	Twenty-first (2007-2008)	Twenty-second (2008-2009)	Twenty-third (2009-2010)
Average EPIC Payment per Claim	\$42.26	\$37.51	\$34.46
Average Deductible Payment per Deductible Claim	\$30.05	\$27.61	\$26.03
Average Participant Co-payment per Co-payment Claim	\$8.39	\$7.58	\$7.27
Average Third Party Payment** per Claim	\$48.55	\$46.21	\$51.31
Average Total Cost per Claim	\$102.20	\$94.44	\$96.15
Number of Participants Reaching Deductible	67,301	67,162	70,596
Number of Participants Reaching Copay limit	12,189	6,091	4,218

* Table IV-B represents Payment and Utilization by program year up to October 2009-September 2010.

** Estimated Third Party Payments from Medicare Part D coverage and other insurers.

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EPIC Program Annual Report 2009-2010 Appendix: Tables V-A and V-B

Table V-A
Distribution of Drug Claims by Volume
and Total Prescription Cost*

Total Prescription Cost**	Percentage of Claims	Cumulative Percentage of Claims
Up to \$5	1.10%	1.10%
\$5.01 - \$10	23.59%	24.69%
\$10.01 - \$15	13.34%	38.03%
\$15.01 - \$20	5.94%	43.96%
\$20.01 - \$30	8.39%	52.35%
\$30.01 - \$40	4.40%	56.76%
\$40.01 - \$50	2.95%	59.71%
\$50.01 - \$60	2.07%	61.77%
\$60.01 - \$70	1.57%	63.34%
\$70.01 - \$80	2.98%	66.32%
\$80.01 - \$90	2.29%	68.62%
\$90.01 - \$100	2.84%	71.46%
\$100.01 - \$250	19.16%	90.62%
\$250.01 - \$500	7.42%	98.04%
\$500.01 - \$2500	1.81%	99.85%
Over \$2500	0.15%	100.00%

* Table V-A provides the percent and cumulative percent of adjudicated claims for the program year (October 1, 2009 through September 30, 2010) as they fall into particular ranges of Total Prescription Cost.

** Total Prescription Cost includes participant, EPIC and third-party payments.

Table V-B
Distribution of Drug
Purchased by Total
Prescription Cost*

Total Prescription Cost**	Percentage of Claims
Up to \$15	38.03%
\$15.01 - \$35	16.87%
\$35.01 - \$55	5.89%
\$55.01 - \$100	10.67%
Over \$100	28.54%
Total	100%

* Table V-B provides the percent of adjudicated claims for the program year (October 1, 2009 through September 30, 2010) as they fall into co-pay ranges of Total Prescription Cost.

** Total Prescription Cost includes participant, EPIC and third-party payments.

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EPIC Program Annual Report 2009-2010 Appendix: Table VI

Table VI
300 Most Frequently Purchased Drugs*

Rank by Number of Claims	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Payment
1	PLAVIX (75 MG)	SS	181,987	\$16,461,902	1
2	OMEPRAZOLE (20 MG)	Gen	145,822	\$884,924	73
3	FUROSEMIDE (40 MG)	Gen	120,316	\$162,930	335
4	AMLODIPINE BESYLATE (5 MG)	Gen	115,009	\$321,830	190
5	SIMVASTATIN (20 MG)	Gen	103,689	\$337,175	178
6	NEXIUM (40 MG)	SS	100,355	\$10,870,410	2
7	ALENDRONATE SODIUM (70 MG)	Gen	98,604	\$471,405	126
8	SIMVASTATIN (40 MG)	Gen	97,186	\$356,924	169
9	FUROSEMIDE (20 MG)	Gen	95,915	\$103,822	487
10	AMLODIPINE BESYLATE (10 MG)	Gen	90,192	\$262,404	228
11	LIPITOR (10 MG)	SS	86,309	\$4,838,255	6
12	HYDROCHLOROTHIAZIDE (25 MG)	Gen	83,901	\$44,500	812
13	METOPROLOL TARTRATE (50 MG)	Gen	81,901	\$134,061	404
14	SPIRIVA (18MCG)	SS	81,414	\$6,293,418	4
15	METFORMIN HCL (500 MG)	Gen	75,581	\$206,830	270
16	LIPITOR (20 MG)	SS	74,356	\$5,891,217	5
17	METOPROLOL SUCCINATE (50 MG)	Gen	71,530	\$860,575	78
18	METOPROLOL TARTRATE (25 MG)	Gen	69,885	\$118,262	449
19	ATENOLOL (50 MG)	Gen	62,354	\$88,661	527
20	XALATAN (0.005%)	SS	60,107	\$2,394,117	21
21	ARICEPT (10 MG)	SS	59,436	\$6,412,966	3
22	ZOLPIDEM TARTRATE (10 MG)	Gen	58,099	\$85,958	545
23	ADVAIR DISKUS (250-50MCG)	SS	57,983	\$4,480,157	7
24	PANTOPRAZOLE SODIUM (40 MG)	Gen	55,547	\$4,251,729	8
25	FOLIC ACID (1 MG)	Gen	52,146	\$113,226	468
26	ATENOLOL (25 MG)	Gen	52,100	\$68,517	631
27	LISINOPRIL (20 MG)	Gen	51,337	\$116,094	455
28	LISINOPRIL (10 MG)	Gen	51,293	\$86,425	540
29	VITAMIN D2 (50000 UNIT)	Gen	50,565	\$338,435	176
30	METOPROLOL SUCCINATE (25 MG)	Gen	48,791	\$551,571	111
31	DIGOXIN (125 MCG)	Gen	48,076	\$141,191	386
32	LIPITOR (40 MG)	SS	47,732	\$3,968,281	9
33	AZITHROMYCIN (250 MG)	Gen	47,330	\$160,242	341
34	SINGULAIR (10 MG)	SS	45,739	\$2,972,922	15
35	HYDROCODONE-ACETAMINOPHEN (5 MG-500MG)	Gen	45,196	\$78,043	585
36	METOPROLOL SUCCINATE (100 MG)	Gen	45,152	\$844,969	80
37	NAMENDA (10 MG)	SS	44,881	\$3,524,019	12

Table VI - continued

Rank by Number of Claims	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Payment
38	ZETIA (10 MG)	SS	44,273	\$3,237,831	13
39	LEVOTHYROXINE SODIUM (50 MCG)	Gen	43,767	\$142,956	378
40	FLOMAX (0.4 MG)	BNMS	40,403	\$3,094,921	14
41	HYDROCHLOROTHIAZIDE (12.5 MG)	Gen	40,239	\$105,067	484
42	DIOVAN (160 MG)	SS	39,682	\$1,882,952	34
43	LISINOPRIL (40 MG)	Gen	38,454	\$118,898	446
44	TRIAMTERENE-HCTZ (37.5-25 MG)	Gen	37,753	\$119,282	445
45	ALPRAZOLAM (0.25 MG)	Gen	37,520	\$120,752	439
46	LEVOTHYROXINE SODIUM (75 MCG)	Gen	37,158	\$130,530	413
47	CRESTOR (10 MG)	SS	36,013	\$2,492,791	20
48	WARFARIN SODIUM (5 MG)	Gen	35,539	\$158,336	343
49	METFORMIN HCL (1000 MG)	Gen	35,377	\$134,944	401
50	POTASSIUM CHLORIDE (10 MEQ)	Gen	35,363	\$219,152	254
51	PROPOXYPHENE NAP-ACETAMINOPHEN (100-650 MG)	Gen	35,085	\$118,412	447
52	ISOSORBIDE MONONITRATE (30 MG)	Gen	34,430	\$228,699	248
53	PRAVASTATIN SODIUM (40 MG)	Gen	33,962	\$176,423	308
54	POTASSIUM CHLORIDE (20 MEQ)	Gen	33,908	\$190,865	291
55	CELEBREX (200 MG)	SS	33,794	\$2,634,420	19
56	JANUVIA (100 MG)	SS	32,103	\$3,574,420	10
57	SERTRALINE HCL (50 MG)	Gen	32,039	\$93,017	512
58	CIPROFLOXACIN HCL (500 MG)	Gen	31,868	\$52,145	743
59	LANTUS (100/ML)	SS	31,830	\$2,187,677	28
60	ACTONEL (35 MG)	SS	31,792	\$2,216,402	26
61	LEXAPRO (10 MG)	SS	31,404	\$1,582,836	40
62	LEVOTHYROXINE SODIUM (100 MCG)	Gen	30,990	\$114,184	462
63	GABAPENTIN (300 MG)	Gen	30,747	\$128,924	417
64	TAMSULOSIN HCL (0.4 MG)	Gen	30,408	\$605,530	105
65	EVISTA (60 MG)	SS	30,390	\$1,780,696	36
66	TRAMADOL HCL (50 MG)	Gen	30,373	\$79,036	579
67	LISINOPRIL (5 MG)	Gen	29,740	\$37,331	897
68	DIOVAN (80 MG)	SS	29,586	\$1,300,689	46
69	BONIVA (150 MG)	SS	29,313	\$2,044,470	32
70	FINASTERIDE (5 MG)	Gen	29,145	\$438,488	136
71	AMOXICILLIN (500 MG)	Gen	28,926	\$31,250	990
72	SIMVASTATIN (80 MG)	Gen	28,287	\$116,045	456
73	LEVOTHYROXINE SODIUM (25 MCG)	Gen	27,692	\$78,682	581
74	SPIRONOLACTONE (25 MG)	Gen	27,594	\$99,061	495
75	SIMVASTATIN (10 MG)	Gen	26,802	\$81,285	570
76	DETROL LA (4 MG)	SS	26,478	\$1,969,846	33
77	ALLOPURINOL (100 MG)	Gen	26,399	\$42,692	829
78	FLUTICASONE PROPIONATE (50 MCG)	Gen	26,205	\$137,744	393
79	LIDODERM (5%(700MG))	SS	26,187	\$2,764,546	16
80	COMBIVENT (18-103MCG)	SS	26,069	\$1,453,254	43
81	METOPROLOL TARTRATE (100 MG)	Gen	25,978	\$59,045	693

Table VI - continued

Rank by Number of Claims	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Payment
82	RAMIPRIL (10 MG)	Gen	25,920	\$187,467	295
83	RANITIDINE HCL (150 MG)	Gen	25,811	\$58,977	695
84	LUMIGAN (0.03 %)	SS	25,418	\$1,293,605	47
85	GLYBURIDE (5 MG)	Gen	25,397	\$133,937	405
86	VENTOLIN HFA (90 MCG)	BNMS	25,175	\$368,484	164
87	PREDNISONE (5 MG)	Gen	24,744	\$14,809	1402
88	TRICOR (145MG)	SS	24,376	\$2,153,853	29
89	LANSOPRAZOLE (30 MG)	Gen	24,367	\$1,569,992	41
90	AMLODIPINE BESYLATE (2.5 MG)	Gen	23,649	\$66,845	644
91	PREDNISONE (10 MG)	Gen	23,518	\$18,178	1287
92	ZOLPIDEM TARTRATE (5 MG)	Gen	23,469	\$34,895	933
93	ISOSORBIDE MONONITRATE (60 MG)	Gen	23,321	\$171,744	315
94	PROAIR HFA (90 MCG)	BNMS	23,161	\$367,436	165
95	ALPRAZOLAM (0.5 MG)	Gen	23,072	\$87,260	532
96	KLOR-CON M20 (20 MEQ)	BNMS	23,042	\$128,128	421
97	WARFARIN SODIUM (2 MG)	Gen	22,909	\$116,875	454
98	METFORMIN HCL ER (500 MG)	Gen	22,794	\$86,306	541
99	DORZOLAMIDE-TIMOLOL (2%-0.5%)	Gen	22,738	\$461,220	130
100	OXYCODONE-ACETAMINOPHEN (5MG-325MG)	Gen	22,653	\$57,572	702
101	LOVAZA (1 G)	SS	22,563	\$1,454,658	42
102	WARFARIN SODIUM (1 MG)	Gen	22,175	\$124,246	428
103	DIOVAN (320 MG)	SS	22,153	\$1,217,855	52
104	GABAPENTIN (100 MG)	Gen	22,010	\$70,966	614
105	ATENOLOL (100 MG)	Gen	21,968	\$46,059	798
106	CITALOPRAM HBR (20 MG)	Gen	21,459	\$49,062	776
107	ACTOS (30 MG)	SS	21,453	\$2,730,091	17
108	CARVEDILOL (6.25 MG)	Gen	21,370	\$74,314	599
109	ARICEPT (5 MG)	SS	21,349	\$2,047,585	31
110	SERTRALINE HCL (100 MG)	Gen	21,271	\$64,071	666
111	PRAVASTATIN SODIUM (20 MG)	Gen	20,601	\$83,305	554
112	LANTUS SOLOSTAR (100/ML (3))	SS	20,570	\$1,856,030	35
113	LOVASTATIN (40 MG)	Gen	20,474	\$137,367	395
114	KLOR-CON 10 (10 MEQ)	BNMS	20,473	\$117,278	451
115	LORAZEPAM (0.5 MG)	Gen	20,375	\$87,018	535
116	LIPITOR (80 MG)	SS	20,119	\$1,603,994	39
117	ENALAPRIL MALEATE (20 MG)	Gen	20,088	\$54,195	727
118	OMEPRAZOLE (40 MG)	Gen	20,053	\$156,805	351
119	ALLOPURINOL (300 MG)	Gen	19,960	\$52,642	739
120	CEPHALEXIN (500 MG)	Gen	19,946	\$45,756	804
121	LEVAQUIN (500 MG)	SS	19,771	\$743,850	91
122	CARVEDILOL (12.5 MG)	Gen	19,700	\$72,510	605
123	FEXOFENADINE HCL (180 MG)	Gen	19,659	\$299,534	208
124	AVODART (0.5 MG)	SS	19,585	\$1,236,403	51
125	CRESTOR (5 MG)	SS	19,350	\$1,274,463	49

Table VI - continued

Rank by Number of Claims	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Payment
126	SULFAMETHOXAZOLE-TRIMETHOPRIM (800-160MG)	Gen	19,292	\$31,115	993
127	TRAVATAN Z (0.004%)	SS	19,106	\$808,200	86
128	ADVAIR DISKUS (500-50MCG)	SS	19,006	\$2,080,189	30
129	CARVEDILOL (25 MG)	Gen	18,891	\$71,037	613
130	TIMOLOL MALEATE (0.5 %)	Gen	18,724	\$141,401	385
131	ACIPHEX (20 MG)	SS	18,484	\$3,539,003	11
132	HYDROCODONE-ACETAMINOPHEN (7.5-500MG)	Gen	18,323	\$45,133	806
133	POLYETHYLENE GLYCOL 3350 (17G/DOSE)	Gen	18,277	\$124,132	429
134	ENALAPRIL MALEATE (10 MG)	Gen	18,260	\$41,357	849
135	PROVENTIL HFA (90 MCG)	BNMS	18,170	\$334,577	181
136	CRESTOR (20 MG)	SS	18,065	\$1,281,576	48
137	DIOVAN HCT (160-12.5MG)	SS	17,959	\$878,686	75
138	AVAPRO (300 MG)	SS	17,918	\$1,153,126	55
139	DILTIAZEM 24HR ER (240 MG)	Gen	17,553	\$300,200	207
140	LEVOTHYROXINE SODIUM (88 MCG)	Gen	17,391	\$66,579	647
141	NASONEX (50 MCG)	SS	17,114	\$602,138	106
142	DIGOXIN (250 MCG)	Gen	17,111	\$51,497	754
143	RAMIPRIL (5 MG)	Gen	17,001	\$98,339	499
144	ACETAMINOPHEN-CODEINE (300MG-30MG)	Gen	16,973	\$42,931	827
145	CARBIDOPA-LEVODOPA (25MG-100MG)	Gen	16,716	\$192,459	290
146	WARFARIN SODIUM (2.5 MG)	Gen	16,712	\$75,415	593
147	LEXAPRO (20 MG)	SS	16,575	\$895,357	70
148	LOVASTATIN (20 MG)	Gen	16,425	\$75,344	594
149	GLIMEPIRIDE (4 MG)	Gen	15,960	\$71,039	612
150	ACTOS (45 MG)	SS	15,910	\$2,223,629	25
151	ACTOS (15 MG)	SS	15,741	\$1,261,735	50
152	CLONAZEPAM (0.5 MG)	Gen	15,645	\$49,941	768
153	COZAAR (50 MG)	BNMS	15,643	\$795,870	88
154	AVAPRO (150 MG)	SS	15,605	\$886,670	71
155	WARFARIN SODIUM (3 MG)	Gen	15,591	\$65,002	659
156	PREVACID (30 MG)	BNMS	15,441	\$2,313,939	22
157	ALPHAGAN P (0.1%)	SS	15,427	\$627,570	97
158	LISINAPRIL-HYDROCHLOROTHIAZIDE (20-12.5 MG)	Gen	15,308	\$53,884	730
159	VERAPAMIL HCL (240 MG)	Gen	15,291	\$106,819	481
160	QUINAPRIL HCL (40 MG)	Gen	15,158	\$66,702	645
161	CLOTTRIMAZOLE-BETAMETHASONE (1-0.05%)	Gen	15,126	\$77,096	587
162	ACTONEL (150 MG)	SS	15,052	\$1,113,280	57
162	LEVOTHYROXINE SODIUM (125 MCG)	Gen	15,052	\$58,996	694
164	CARVEDILOL (3.125MG)	Gen	14,966	\$52,778	738
165	PAROXETINE HCL (20 MG)	Gen	14,940	\$72,098	606
166	FAMOTIDINE (20 MG)	Gen	14,497	\$36,994	904

Table VI - continued

Rank by Number of Claims	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Payment
167	ALBUTEROL SULFATE (2.5 MG/3ML)	Gen	14,494	\$86,533	539
168	DILTIAZEM 24HR ER (180 MG)	Gen	14,353	\$196,052	282
169	AGGRENOX (25-200MG)	SS	14,275	\$1,066,382	62
170	COZAAR (100 MG)	BNMS	14,273	\$880,626	74
171	ADVAIR DISKUS (100-50MCG)	SS	14,158	\$822,323	83
172	METHOTREXATE (2.5 MG)	Gen	14,060	\$86,872	536
173	AMOX TR-POTASSIUM CLAVULANATE (875-125 MG)	Gen	13,987	\$91,252	518
174	METHYLPREDNISOLONE (4 MG)	Gen	13,975	\$23,243	1151
175	CIPROFLOXACIN HCL (250 MG)	Gen	13,853	\$19,925	1232
176	SYNTHROID (50 MCG)	BNMS	13,826	\$136,784	396
177	SYNTHROID (75 MCG)	BNMS	13,704	\$155,054	353
178	ENALAPRIL MALEATE (5 MG)	Gen	13,697	\$24,347	1127
179	DILTIAZEM 24HR ER (120 MG)	Gen	13,587	\$142,059	383
179	MIRTAZAPINE (15 MG)	Gen	13,587	\$52,789	737
181	MELOXICAM (7.5 MG)	Gen	13,493	\$23,926	1137
182	CYMBALTA (60 MG)	SS	13,467	\$1,081,911	59
183	DIAZEPAM (5 MG)	Gen	13,417	\$37,296	898
184	MELOXICAM (15 MG)	Gen	13,410	\$21,459	1198
185	COLCHICINE (0.6 MG)	Gen	13,327	\$76,742	589
186	WARFARIN SODIUM (4 MG)	Gen	13,292	\$55,728	713
187	GLIPIZIDE (5 MG)	Gen	13,121	\$26,809	1072
188	NITROFURANTOIN MONO-MACRO (100 MG)	Gen	13,064	\$47,945	785
189	GEMFIBROZIL (600 MG)	Gen	12,956	\$57,725	701
190	AMIODARONE HCL (200 MG)	Gen	12,922	\$71,351	610
191	MECLIZINE HCL (25 MG)	Gen	12,896	\$73,596	601
192	SEROQUEL (25 MG)	SS	12,857	\$737,025	92
193	ARIMIDEX (1 MG)	BNMS	12,849	\$2,703,007	18
194	LORAZEPAM (1 MG)	Gen	12,839	\$68,059	635
195	JANUVIA (50 MG)	SS	12,832	\$1,409,402	44
196	VIGAMOX (0.5 %)	SS	12,760	\$283,587	216
197	PEN NEEDLE (31GX5/16")	Syrn	12,713	\$165,818	331
198	SYMBICORT (160-4.5MCG)	SS	12,674	\$917,721	67
199	VYTORIN (10MG-40MG)	SS	12,584	\$1,127,512	56
200	NITROGLYCERIN (0.4 MG)	Gen	12,568	\$40,632	856
201	CLONIDINE HCL (0.1 MG)	Gen	12,553	\$31,158	992
202	RESTASIS (0.05%)	SS	12,525	\$1,039,232	63
203	AMLODIPINE BESYLATE-BENAZEPRIL (5MG-20MG)	Gen	12,478	\$431,456	138
204	NIASPAN (500 MG)	SS	12,280	\$671,888	95
205	SYNTHROID (100 MCG)	BNMS	12,240	\$147,003	372
206	FUROSEMIDE (80 MG)	Gen	12,052	\$26,990	1067
207	PREDNISONE (20 MG)	Gen	12,042	\$7,172	1850
208	TRAZODONE HCL (50 MG)	Gen	11,999	\$15,975	1365

Table VI - continued

Rank by Number of Claims	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Payment
209	COMBIGAN (0.2%-0.5%)	SS	11,849	\$385,318	153
210	GLIMEPIRIDE (2 MG)	Gen	11,813	\$38,106	886
211	INSULIN SYRINGE (31GX5/16")	Syrn	11,721	\$115,525	458
212	HUMALOG (100/ML)	SS	11,524	\$1,100,667	58
213	TRIAMCINOLONE ACETONIDE (0.1%)	Gen	11,274	\$33,428	957
214	NOVOLOG (100/ML)	SS	11,220	\$1,072,312	61
215	RAMIPRIL (2.5 MG)	Gen	11,208	\$65,600	652
216	GLYBURIDE-METFORMIN HCL (5 MG-500MG)	Gen	11,191	\$127,221	424
217	TRAMADOL HCL-ACETAMINOPHEN (37.5-325MG)	Gen	11,116	\$164,154	333
218	AMBIEN CR (12.5 MG)	SS	11,076	\$958,949	65
219	QUINAPRIL HCL (20 MG)	Gen	11,013	\$50,178	766
220	LISINAPRIL (2.5 MG)	Gen	10,852	\$11,497	1550
221	LEVOTHYROXINE SODIUM (112 MCG)	Gen	10,828	\$43,594	819
222	PROTONIX (40 MG)	BNMS	10,767	\$814,957	84
223	VESICARE (5 MG)	SS	10,693	\$885,969	72
224	VYTORIN (10MG-20MG)	SS	10,649	\$946,219	66
225	DOXYCYCLINE HYCLATE (100 MG)	Gen	10,556	\$9,331	1653
226	CYCLOBENZAPRINE HCL (10 MG)	Gen	10,555	\$18,215	1285
227	NAPROXEN (500 MG)	Gen	10,470	\$22,907	1163
228	LISINAPRIL-HYDROCHLOROTHIAZIDE (20-25MG)	Gen	10,465	\$35,163	930
229	SERTRALINE HCL (25 MG)	Gen	10,311	\$27,379	1058
230	CLOBETASOL PROPIONATE (0.05%)	Gen	10,307	\$71,815	608
231	CITALOPRAM HBR (10 MG)	Gen	10,201	\$17,363	1311
232	OXYBUTYNIN CHLORIDE (5 MG)	Gen	10,191	\$22,306	1179
233	AVELOX (400 MG)	SS	10,094	\$455,596	132
234	DIOVAN HCT (160-25MG)	SS	9,992	\$557,574	110
235	BENICAR (40 MG)	SS	9,931	\$672,802	94
236	MECLIZINE HCL (12.5 MG)	Gen	9,853	\$21,436	1199
237	BENICAR (20 MG)	SS	9,719	\$464,803	129
238	DIOVAN HCT (320MG-25MG)	SS	9,640	\$614,107	101
239	GLIPIZIDE (10 MG)	Gen	9,627	\$26,037	1090
240	PREDNISOLONE ACETATE (1 %)	Gen	9,543	\$33,682	951
241	FLUOXETINE HCL (20 MG)	Gen	9,330	\$17,452	1309
242	GLIPIZIDE ER (10 MG)	Gen	9,311	\$87,907	531
243	CITALOPRAM HBR (40 MG)	Gen	9,280	\$22,835	1164
244	KLOR-CON M10 (10 MEQ)	BNMS	9,235	\$35,807	918
245	IPRATROPIUM-ALBUTEROL (0.5-3MG/3)	Gen	9,191	\$281,573	217
246	NYSTATIN-TRIAMCINOLONE (100000-0.1)	Gen	9,163	\$13,917	1435
247	HYDROCODONE-ACETAMINOPHEN (7.5-750MG)	Gen	9,157	\$21,993	1185
248	METFORMIN HCL (850 MG)	Gen	9,153	\$33,477	955
249	GLYBURIDE (2.5 MG)	Gen	9,110	\$29,626	1016

Table VI - continued

Rank by Number of Claims	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Payment
250	AMLODIPINE BESYLATE-BENAZEPRIL (10MG-20MG)	Gen	9,054	\$304,968	202
251	CYMBALTA (30 MG)	SS	9,029	\$800,199	87
252	HYZAAR (100MG-25MG)	BNMS	8,928	\$615,374	100
253	LOSARTAN POTASSIUM (50 MG)	Gen	8,875	\$235,430	242
254	TORSEMIDE (20 MG)	Gen	8,848	\$82,020	564
255	METOPROLOL SUCCINATE (200 MG)	Gen	8,764	\$263,780	227
256	HUMULIN N (100/ML)	BNMS	8,746	\$375,968	161
257	PRAVASTATIN SODIUM (80 MG)	Gen	8,717	\$58,041	698
258	INSULIN SYRINGE (30GX1/2")	Syrn	8,697	\$84,457	548
259	DIOVAN HCT (80-12.5MG)	SS	8,676	\$383,482	156
260	LEVEMIR (100/ML)	SS	8,638	\$840,010	82
261	PAROXETINE HCL (10 MG)	Gen	8,635	\$38,401	879
262	FEMARA (2.5 MG)	SS	8,621	\$2,199,054	27
263	LOSARTAN POTASSIUM (100 MG)	Gen	8,502	\$272,232	219
264	LISINAPRIL-HYDROCHLOROTHIAZIDE (10-12.5MG)	Gen	8,492	\$25,973	1094
265	LEVOTHYROXINE SODIUM (150 MCG)	Gen	8,305	\$33,202	962
266	MUPIROCIN (2 %)	Gen	8,282	\$48,412	779
267	HYDROCHLOROTHIAZIDE (50 MG)	Gen	8,269	\$10,356	1597
268	HYDROXYCHLOROQUINE SULFATE (200 MG)	Gen	8,240	\$38,588	876
269	CILOSTAZOL (100 MG)	Gen	8,220	\$68,060	634
270	DOXAZOSIN MESYLATE (4 MG)	Gen	8,178	\$37,274	899
271	FLUOCINONIDE (0.05%)	Gen	8,125	\$23,100	1158
272	AZOPT (1 %)	SS	8,119	\$317,713	191
273	PEN NEEDLE (31GX3/16")	Syrn	8,064	\$105,627	483
274	COUMADIN (5 MG)	BNMS	8,031	\$218,686	255
275	GLIPIZIDE ER (5 MG)	Gen	7,994	\$49,989	767
276	ZYMAR (0.3 %)	SS	7,942	\$187,227	296
277	CLONIDINE HCL (0.2 MG)	Gen	7,909	\$25,368	1104
278	HYDROCODONE-ACETAMINOPHEN (10MG-500MG)	Gen	7,768	\$46,462	796
279	UROXATRAL (10 MG)	SS	7,767	\$511,407	115
280	LYRICA (50 MG)	SS	7,747	\$489,871	119
281	GLIPIZIDE XL (10 MG)	Gen	7,728	\$63,230	670
282	SYNTHROID (88 MCG)	BNMS	7,681	\$89,644	522
283	NOVOLOG MIX 70-30 (70-30/ML)	SS	7,676	\$907,471	68
284	AMITRIPTYLINE HCL (25 MG)	Gen	7,641	\$10,249	1608
285	HYDRALAZINE HCL (25 MG)	Gen	7,636	\$52,614	740
286	ASACOL (400 MG)	SS	7,473	\$1,156,070	54
287	HYDROCODONE-ACETAMINOPHEN (10MG-325MG)	Gen	7,456	\$62,073	676
288	NIFEDIPINE ER (60 MG)	Gen	7,434	\$132,396	408
289	CALCITRIOL (0.25MCG)	Gen	7,399	\$81,972	565
290	PREDNISONE (1 MG)	Gen	7,346	\$27,446	1054

Table VI - continued

Rank by Number of Claims	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Payment
291	NIFEDIPINE ER (30 MG)	Gen	7,313	\$76,145	592
292	HYDROCODONE-ACETAMINOPHEN (5MG-325MG)	Gen	7,309	\$37,105	902
293	RANEXA (500 MG)	SS	7,261	\$811,879	85
294	RANITIDINE HCL (300 MG)	Gen	7,251	\$24,533	1123
295	TERAZOSIN HCL (5 MG)	Gen	7,242	\$22,528	1174
296	NAMENDA (5 MG)	SS	7,209	\$466,283	127
297	AMLODIPINE BESYLATE-BENAZEPRIL (5-10MG)	Gen	7,184	\$218,317	256
298	NITROGLYCERIN PATCH (0.4MG/HR)	Gen	7,102	\$55,766	712
299	TRILIPIX (135MG)	SS	7,022	\$488,224	121
300	NITROGLYCERIN PATCH (0.2MG/HR)	Gen	6,937	\$48,201	783

* Table VI presents the top 300 drugs ranked by number of adjudicated claims for the program year (October 2009-September 2010) as well as the rank by EPIC payment.

** Drug Type values are BNMS='Brand Name Multi-Source', Gen='Generic', SS='Sole Source' and Synr='Insulin Syringe.'

EPIC Program Annual Report 2009-2010 Appendix: Table VII

Table VII
Ten Most Frequently Purchased Types of Drugs
by Therapeutic Classification*

Therapeutic Class**	Number of Claims	Percent of Claims	EPIC Payments	Percent of Payments	Number of Participants
BETA-ADRENERGIC BLOCKING AGENT	711,168	7.35%	\$6,860,753	2.06%	142,017
HMG-COA REDUCTASE INHIBITORS	699,898	7.23%	\$26,179,385	7.85%	153,381
ANGIOTENSIN-CONVERTING ENZYME	418,081	4.32%	\$1,998,966	0.60%	89,725
PROTON-PUMP INHIBITORS	404,434	4.18%	\$25,683,079	7.69%	90,931
ANTIDEPRESSANTS	352,621	3.64%	\$8,459,008	2.54%	65,546
ANGIOTENSIN II RECEPTOR ANTAGONIST	348,404	3.60%	\$18,563,452	5.57%	70,475
DIHYDROPYRIDINES	340,490	3.52%	\$5,036,048	1.51%	72,376
THYROID AGENTS	298,592	3.09%	\$1,715,667	0.51%	58,592
OPIATE AGONISTS	293,123	3.03%	\$4,757,248	1.43%	78,717
LOOP DIURETICS	252,020	2.60%	\$509,161	0.15%	61,784
Total***	4,118,831	42.56%	\$99,762,767	29.91%	

* Table VII provides the percent of adjudicated claims for the program year (October 1, 2009 through September 30, 2010) as they fall into particular categories of Therapeutic Class.

** American Hospital Formulary Service® (AHFS) Pharmacologic-Therapeutic Classification.

*** This report contains the top ten drug classes, additional drug classes will comprise the remainder of claims up to 100.00%.

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EPIC Program Annual Report 2009-2010 Appendix: Table VIII

**Table VIII
Twenty Most Frequently Purchased Drugs***

Rank by Number of Claims	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Payment
1	PLAVIX (75 MG)	SS	181,987	\$16,461,902	1
2	OMEPRAZOLE (20 MG)	Gen	145,822	\$884,924	73
3	FUROSEMIDE (40 MG)	Gen	120,316	\$162,930	335
4	AMLODIPINE BESYLATE (5 MG)	Gen	115,009	\$321,830	190
5	SIMVASTATIN (20 MG)	Gen	103,689	\$337,175	178
6	NEXIUM (40 MG)	SS	100,355	\$10,870,410	2
7	ALENDRONATE SODIUM (70 MG)	Gen	98,604	\$471,405	126
8	SIMVASTATIN (40 MG)	Gen	97,186	\$356,924	169
9	FUROSEMIDE (20 MG)	Gen	95,915	\$103,822	487
10	AMLODIPINE BESYLATE (10 MG)	Gen	90,192	\$262,404	228
11	LIPITOR (10 MG)	SS	86,309	\$4,838,255	6
12	HYDROCHLOROTHIAZIDE (25 MG)	Gen	83,901	\$44,500	812
13	METOPROLOL TARTRATE (50 MG)	Gen	81,901	\$134,061	404
14	SPIRIVA (18MCG)	SS	81,414	\$6,293,418	4
15	METFORMIN HCL (500 MG)	Gen	75,581	\$206,830	270
16	LIPITOR (20 MG)	SS	74,356	\$5,891,217	5
17	METOPROLOL SUCCINATE (50 MG)	Gen	71,530	\$860,575	78
18	METOPROLOL TARTRATE (25 MG)	Gen	69,885	\$118,262	449
19	ATENOLOL (50 MG)	Gen	62,354	\$88,661	527
20	XALATAN (0.005%)	SS	60,107	\$2,394,117	21
Top 20 Totals			1,896,413	\$51,103,622	
Percent of Top 20 Drugs to Total Paid Claims			19.59%	15.32%	

* Table VIII lists the top 20 drugs ranked by number of adjudicated claims for the program year (October 2009-September 2010) as well as the percentage of the total claims they represent for the year.

** Drug Type values are Gen='Generic' and SS='Sole Source.'

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EPIC Program Annual Report 2009-2010 Appendix: Table IX

**Table IX
Top Twenty Drugs Based on EPIC Payments**

Rank by Payment	Drug and Strength	Drug Type**	Number of Claims	EPIC Payments	Rank by Number of Claims
1	PLAVIX (75 MG)	SS	181,987	\$16,461,902	1
2	NEXIUM (40 MG)	SS	100,355	\$10,870,410	6
3	ARICEPT (10 MG)	SS	59,436	\$6,412,966	21
4	SPIRIVA (18MCG)	SS	81,414	\$6,293,418	14
5	LIPITOR (20 MG)	SS	74,356	\$5,891,217	16
6	LIPITOR (10 MG)	SS	86,309	\$4,838,255	11
7	ADVAIR DISKUS (250-50MCG)	SS	57,983	\$4,480,157	23
8	PANTOPRAZOLE SODIUM (40 MG)	Gen	55,547	\$4,251,729	24
9	LIPITOR (40 MG)	SS	47,732	\$3,968,281	32
10	JANUVIA (100 MG)	SS	32,103	\$3,574,420	56
11	ACIPHEX (20 MG)	SS	18,484	\$3,539,003	131
12	NAMENDA (10 MG)	SS	44,881	\$3,524,019	37
13	ZETIA (10 MG)	SS	44,273	\$3,237,831	38
14	FLOMAX (0.4 MG)	BNMS	40,403	\$3,094,921	40
15	SINGULAIR (10 MG)	SS	45,739	\$2,972,922	34
16	LIDODERM (5%(700MG))	SS	26,187	\$2,764,546	79
17	ACTOS (30 MG)	SS	21,453	\$2,730,091	107
18	ARIMIDEX (1 MG)	BNMS	12,849	\$2,703,007	193
19	CELEBREX (200 MG)	SS	33,794	\$2,634,420	55
20	CRESTOR (10 MG)	SS	36,013	\$2,492,791	47
Top 20 Totals			1,101,298	\$96,736,306	
Percent of Top 20 Drugs to Total EPIC Payments			11.38%	29.00%	

* Table IX lists the top 20 drugs ranked on EPIC Payments of adjudicated claims for the program year (October 2009-September 2010) as well as the percentage of the EPIC Payments they represent for the year.

** Drug Type values are BNMS='Brand Name Multi-Source', Gen='Generic', and SS='Sole Source.'

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EPIC Program Annual Report 2009-2010 Appendix: Table X

Table X
Distribution of Claims and Payments by Pharmacy Type *

Type of Pharmacy **	Number Active	Number of Claims	Payments to Pharmacies
Chain	2,313	6,350,748	\$216,267,453
Clinical	61	97,979	\$2,516,955
Independent	2,174	3,205,423	\$113,627,685
Mail Order	15	23,944	\$1,129,371
Other	3	249	\$16,447
Total	4,566	9,678,343	\$333,557,911

* Table X contains the number of active pharmacies, the number of claims and the sum of the payments to the pharmacies for each type of pharmacy. Comparison of this table from this program year to the previous show an increase in the total number of pharmacies.

** Types of Pharmacies include: Chain='Chain'; Clinical='Alternate Dispensing' and 'Government/Federal'; Independent='Independent' and 'Franchise'; Mail Order='Mail Order'.

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EPIC Program Annual Report 2009-2010 Appendix: Table XI

**Table XI
Active Pharmacies, Claims and Payments by County ***

County	Number of Active Pharmacies	Number of Paid Claims	Payments to Pharmacies	Participant Enrollment as of 09/30/2010
Albany	68	151,573	\$6,967,820	4,622
Allegany	11	40,310	\$1,055,343	1,379
Broome	46	173,428	\$5,031,806	5,480
Cattaraugus	20	112,678	\$3,219,731	3,134
Cayuga	14	63,717	\$1,674,605	1,995
Chautauqua	37	190,168	\$5,225,749	5,655
Chemung	23	92,040	\$2,542,536	2,448
Chenango	10	57,857	\$1,205,333	1,905
Clinton	20	58,417	\$1,663,775	1,899
Columbia	11	46,176	\$1,640,203	1,696
Cortland	11	47,129	\$1,333,616	1,358
Delaware	10	46,279	\$1,485,779	1,551
Dutchess	60	136,423	\$3,898,792	4,048
Erie	216	994,086	\$30,845,851	26,799
Essex	8	24,171	\$650,927	900
Franklin	12	37,304	\$1,047,653	1,248
Fulton	11	59,813	\$1,770,975	1,771
Genesee	13	64,928	\$2,436,699	2,187
Greene	10	37,647	\$1,319,788	1,334
Herkimer	14	73,903	\$1,935,002	2,581
Jefferson	25	101,996	\$2,475,179	2,763
Lewis	3	24,666	\$508,459	969
Livingston	11	57,004	\$2,088,161	1,729
Madison	16	57,278	\$1,629,826	1,856
Monroe	152	501,164	\$17,642,590	14,526
Montgomery	14	59,127	\$1,736,015	2,062
Nassau	301	713,847	\$33,179,432	19,012
Niagara	46	199,678	\$5,430,625	5,985
Oneida	57	253,454	\$6,850,698	6,615
Onondaga	104	333,383	\$9,503,328	9,437
Ontario	27	105,951	\$3,667,080	2,764
Orange	74	163,770	\$5,970,196	5,192
Orleans	8	35,830	\$1,064,748	1,264
Oswego	26	114,211	\$3,260,788	3,509
Otsego	13	49,846	\$1,288,672	1,676
Putnam	22	38,838	\$2,043,750	1,447
Rensselaer	30	92,887	\$3,912,567	2,862
Rockland	52	125,719	\$4,468,838	3,566

Table XI - continued

County	Number of Active Pharmacies	Number of Paid Claims	Payments to Pharmacies	Participant Enrollment as of 09/30/2010
Saint Lawrence	23	78,740	\$2,170,850	698
Saratoga	38	149,778	\$4,998,654	2,640
Schenectady	36	86,761	\$3,737,810	3,727
Schoharie	5	22,995	\$736,165	2,576
Schuyler	4	15,258	\$402,793	862
Seneca	6	24,519	\$809,379	488
Steuben	20	87,576	\$2,464,058	2,373
Suffolk	304	601,245	\$27,419,355	21,567
Sullivan	16	35,991	\$1,156,654	1,554
Tioga	6	30,194	\$760,246	1,273
Tompkins	17	35,920	\$968,016	1,261
Ulster	35	105,930	\$3,359,975	3,559
Warren/Hamilton	20	68,585	\$2,293,847	2,044
Washington	13	65,997	\$2,091,373	1,916
Wayne	20	83,347	\$2,969,765	2,688
Westchester	199	381,150	\$13,531,672	11,104
Wyoming	7	44,007	\$1,613,605	1,495
Yates	7	28,843	\$974,929	900
Upstate Subtotal	2,382	7,483,532	\$256,132,081	223,949
Bronx	325	246,667	\$7,899,257	9,378
Kings	686	628,887	\$22,352,115	22,571
New York	551	425,798	\$14,752,255	13,623
Queens	509	704,531	\$25,392,043	26,082
Richmond	83	142,236	\$5,529,585	5,171
NYC Subtotal	2,154	2,148,119	\$75,925,255	76,825
Out-of-State**	30	46,692	\$1,500,575	.
EPIC Total	4,566	9,678,343	\$333,557,911	300,774

* Table XI provides distribution of adjudicated claims for the counties within which the pharmacies are located for the program year (October 1, 2009 through September 30, 2010).

** 'Out-of-State,' per legislation, includes limited pharmacies bordering underserved areas of New York State and Medicare Part D Mail Order.

EPIC Program Annual Report 2009-2010 Appendix: Table XII

Table XII
Distribution of Claims and Expenditures by
Status of Medicare Part D Enrollment*

Claim Information		In Part D	Not in Part D	Total
Number of Claims		8,509,798	1,168,545	9,678,343
Total Expenditures	Total Cost of Drugs	\$823,666,108	\$106,950,272	\$930,616,380
	less Third Party Payments	\$483,635,959	\$12,918,024	\$496,553,983
	less Participant Copayments	\$49,066,588	\$9,585,936	\$58,652,524
	less Deductible Payments	\$35,013,832	\$6,838,130	\$41,851,962
	EPIC Expenditures	\$255,949,729	\$77,608,182	\$333,557,911
Average Claim** = (Epic Expenditures ÷ Number of Claims)		\$30.08	\$66.41	\$34.46

* Table XII outlines the difference in expenditures by status of Medicare Part D enrollment for the program year (October 1, 2009 through September 30, 2010).

** Average Claim was calculated using only participants who were enrolled in their stated category for the entirety of the program year.

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State of New York
Department of Health