



DEPARTMENT OF HEALTH

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Dennis R. Schrader, Secretary

June 17, 2021

The Honorable Guy Guzzone
Chair
Senate Budget and Taxation Committee
3 West Miller Senate Office Bldg.
Annapolis, MD 21401-1991

The Honorable Maggie McIntosh
Chair
House Appropriations Operations
121 House Office Bldg.
Annapolis, MD 21401-1991

Re: 2020 Joint Chairmen's Report (p. 116) – Hepatitis C Treatment in the Health Choice Program

Dear Chair Guzzone and Chair McIntosh:

In keeping with the requirements of the 2020 Joint Chairmen's Report (p. 116), enclosed is the Maryland Department of Health's report on Hepatitis C treatment access. Specifically, the committees requested:

“In January 2020, the Maryland Department of Health (MDH) removed fibrosis restrictions for accessing new Hepatitis C therapies. The committees are interested in the result of this change on the extent of Hepatitis C treatment, treatment adherence, and cost in the HealthChoice program. The information should provide detail by individual managed care organization.”

If you have questions or need more information, please contact Heather Shek, Director, Office of Governmental Affairs at heather.shek@maryland.gov.

Sincerely,

Dennis R. Schrader
Secretary

cc: Steven R. Schuh, Deputy Secretary, Health Care Financing and Medicaid
Heather Shek, Director, Office of Governmental Affairs
Sarah Albert, 5 copies

Background

In accordance with the 2020 Joint Chairmen’s Report (page 116), the Maryland Department of Health (MDH) presents this analysis of the impact of removing fibrosis restrictions on access to Hepatitis C (HCV) therapies, treatment adherence, and cost in the HealthChoice program. Overall, the removal of fibrosis restrictions led to an increase in testing, treatment, and the number of HealthChoice participants who initiated treatment. However, due to the COVID-19 pandemic, overall healthcare utilization decreased in 2020, which likely impacted the number of tests and treatments performed in the 2020 reported period.

The average cost per treatment, based on supplemental payment amounts, declined as additional treatments have entered the market. The average supplemental payment paid to the Managed Care Organizations (MCO) per HCV treatment decreased from \$31,345 in Calendar Year (CY) 2016 to \$15,662 in CY 2020. On average, Hepatitis C is treated and no longer detected in the body after a participant receives 2.4 treatments¹.

The severity of HCV in a patient is determined by the degree of liver damage or fibrosis and is often measured using a meta-analysis of histological data in viral hepatitis (Metavir) score. The scale delineates hepatitis with no fibrosis (F0) to complete cirrhosis (F4). MDH has long covered HCV treatment under the state plan, including the newer non-interferon-based direct-acting antiviral (DAA) therapies first approved in 2013. The Department’s DAA treatment criteria originally focused on Medicaid participants with a Metavir score of F2 or above. On December 1, 2018, MDH expanded coverage to participants with a score of F1 or F0 if they had a viral condition known to result in an accelerated hepatic disease (fibrosis) progression and/or hepatic decompensation compared to normal expected decompensation from the course of chronic HCV. Subsequently, on July 1, 2019, MDH expanded its policy to include those with Metavir scores of F1 and above (indicated by a yellow highlight in the tables within this report). Lastly, in January 2020, MDH removed all fibrosis restrictions (indicated by a green highlight in the tables within this report). These treatment expansions align with Maryland’s Hepatitis C Strategic Plan, which was released in January 2019.

Data Analysis

Tables 1 through 3 present data on the HealthChoice population based on both MCO encounter and fee-for-service (FFS) claims data looking at participants with any period of enrollment in a MCO during the six-month interval. Due to changes in circumstances, a participant may not have been enrolled in a MCO for the full six-month span. Data in Tables 5 through 11 looks only at MCO encounter data (e.g., a service billed to and paid for by an MCO). Cell values of 10 or less have been suppressed and are denoted by an asterisk (*).

In all tables, diagnosis with HCV is defined as any person who had an MCO encounter and/or FFS claim with a HCV diagnosis code (any position; primary or secondary) based on the International Classification of Diseases version 10 (ICD-10) diagnosis codes: B17.11, B18.2,

¹ A treatment is defined as a monthly dose.

B17.10, B19.20, and B19.21.² Some MCO encounters or FFS claims for testing, without a confirmed diagnosis of HCV, may be submitted with one of these diagnosis codes; therefore, this figure is an approximate count of the actual number of individuals diagnosed with HCV in the HealthChoice population. For those who received a non-interferon treatment, the Department used the following procedure codes, which are Hepatitis C supplemental payment codes: 'MC012', 'MS012', 'MR012', 'MC013', 'MS013', 'MR013', 'MC024', 'MS024', 'MR024', 'MC025', 'MS025', 'MR025', 'MC008', 'MS008', 'MR008', 'MC048', 'MS048', 'MR048', 'MC049', 'MS049', 'MR049', 'MCE12', 'MSE12', 'MRE12', 'MCE13', 'MSE13', 'MRE13', 'MV008', 'MV012', 'MV024', 'MV048', 'MVE12', 'MV013', 'MV025', 'MV049', 'MVE13', and 'MX001'.

Table 1 presents the number of individual HealthChoice participants diagnosed with HCV in a six-month period. If a Medicaid enrollee had an encounter or claim with a related HCV diagnosis during the six-month span, the individual is included. For instance, if an individual had a claim in January 2016 with a HCV diagnosis and another claim with a HCV diagnosis in November 2016, they are counted in each six-month span. In the first six months of 2020, 11,155 participants were diagnosed with HCV.

Table 1. Aggregate Count of HealthChoice Participants Diagnosed with HCV, based on MCO encounters and FFS claims, by Age and Gender

(* indicates less than 10)

Number of Medicaid Enrollees Diagnosed with HCV	January 1, 2016 to June 30, 2016	July 1, 2016 to December 31, 2016	January 1, 2017 to June 30, 2017	July 1, 2017 to December 31, 2017	January 1, 2018 to June 30, 2018	July 1, 2018 to December 31, 2018	January 1, 2019 to June 30, 2019	July 1, 2019 to December 31, 2019	January 1, 2020 to June 30, 2020 ³
Gender	Number of Medicaid Enrollees Diagnosed with HCV								
Female	6,814	6,798	7,075	6,690	6,614	6,251	5,950	5,724	4,776
Male	9,198	9,292	9,429	8,866	8,724	8,241	7,950	7,627	6,379
Total	16,012	16,090	16,504	15,556	15,338	14,492	13,900	13,351	11,155
Age Group (Years)	Number of Medicaid Enrollees Diagnosed with HCV								
0-14	35	50	37	50	34	52	33	35	31
15-18	12	17	14	20	24	12	13	14	*
19-20	36	29	28	31	30	29	25	22	*
21-39	2,535	2,717	2,919	2,893	2,976	2,865	2,864	2,887	2,596
40-64	12,165	11,906	12,048	11,103	10,779	10,028	9,397	8,772	7,187
65+	1,229	1,371	1,458	1,459	1,495	1,506	1,568	1,621	1,320
Total	16,012	16,090	16,504	15,556	15,338	14,492	13,900	13,351	11,155

Table 2 shows the number of individual Medicaid participants who received an HCV related diagnosis, tests, and therapy in a six-month period. In the first six months of CY 2020, 37,918 participants received an antibody test, which are used to screen for HCV. Chronic HCV, defined as having been infected for more than six months, is determined by the presence of positive test results for both a HCV antibody test and a HCV RNA test

² These diagnosis codes include both acute and chronic HCV; MDH currently only reimburses for the treatment of chronic HCV.

³ Healthcare utilization decreased during the COVID-19 pandemic, likely impacting the number of people seeking testing, services during this six-month period.

Table 2. Aggregate Count of Individual HealthChoice Participants Diagnosed, Tested, and Treated for HCV, based on MCO encounter and FFS claims

(* indicates less than 10)

	January 2016 - June 2016	July 2016 - December 2016	January 2017 - June 2017	July 2017 - December 2017	January 2018 - June 2018	July 2018 - December 2018	January 2019 - June 2019	July 2019 - December 2019	January 2020 - June 2020
Number of Medicaid Enrollees Diagnosed with HCV									
HCV Diagnosis	16,012	16,090	16,504	15,556	15,338	14,492	13,900	13,351	11,155
HCV Antibody Tests	40,725	40,402	46,520	45,420	50,141	48,098	50,928	49,859	37,918
HCV RNA Tests	7,700	7,221	7,938	7,384	7,730	7,069	7,484	7,118	5,637
HCV Confirmatory Tests (to confirm chronic HCV)	125	169	114	124	128	119	146	118	124
Non-Interferon Therapy	957	891	803	900	732	690	561	777	948
Interferon Therapy	*	*	*	*	*	*	*	*	*

Table 3 shows the total number of all tests and treatment therapies delivered to Medicaid participants. For instance, some Medicaid participants may have received more than one test. In the first six months of CY 2020, 40,818 antibody tests, 131 confirmatory tests, and 7,253 RNA tests were delivered to Medicaid participants.

Table 3. Aggregate Count of HCV Tests and Treatments in the HealthChoice Population, based on MCO encounters and FFS claims

(* indicates less than 10)

	January 2016 to June 2016	July 2016 to December 2016	January 2017 to June 2017	July 2017 to December 2017	January 2018 to June 2018	July 2018 to December 2018	January 2019 to June 2019	July 2019 to December 2019	January 2020 to June 2020
Number of Tests and Treatments									
HCV Antibody Tests	43,150	42,714	49,278	48,278	53,003	50,962	54,293	53,508	40,818
HCV RNA Tests	11,422	10,321	11,017	10,054	10,298	9,116	9,546	9,220	7,253
HCV Confirmatory Tests	129	171	117	129	134	120	149	118	131
Non-Interferon Therapy	957	891	803	900	732	690	561	777	948
Interferon Therapy	*	*	*	*	*	*	*	*	*

Table 4 shows the number of participants enrolled in each managed care organization (MCO). Over 1.3 million participants were enrolled in HealthChoice in CY 2020. Priority Partners had the highest enrollment and Aetna Health had the smallest enrollment.

Table 4. Number of Medicaid MCO Members Ever Enrolled Annually

MCO	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
Aetna Better Health	N/A	1,962	18,846	35,199	45,372
Amerigroup Maryland Inc.	304,555	308,886	312,196	306,762	307,548
Jai Medical Systems	27,315	28,845	30,054	29,778	29,782
Kaiser Permanente	61,382	75,520	77,586	81,608	94,458
Maryland Physicians Care	234,644	244,931	246,228	237,806	234,287
Medstar Family Choice	91,800	102,637	107,263	103,423	102,576
Priority Partners	306,740	330,532	338,865	334,046	333,022
United Healthcare	183,618	174,699	171,633	164,061	162,290
UM Health Partners	42,389	51,453	58,763	54,317	54,606
Total	1,252,443	1,319,465	1,361,434	1,347,000	1,363,941

Tables 5 through 10 examine the HealthChoice population’s HCV diagnoses and treatment by MCO. Please note that this analysis does not include any FFS data. FFS data includes participants not enrolled in an MCO, as well as participants who may have received an HCV diagnosis and/or treatment as a part of a behavioral health visit.

Table 5 presents the number of HCV diagnoses by MCO. In CY 2020, there were 8,214 diagnoses of HCV. Priority Partners had the highest number of diagnoses and Aetna Better Health had the lowest.

Table 5. Number of Medicaid MCO Members with a HCV Diagnosis, Based on MCO Encounters Only

MCO	January 1, 2016 to June 30, 2016	July 1, 2016 to December 31, 2016	January 1, 2017 to June 30, 2017	July 1, 2017 to December 31, 2017	January 1, 2018 to June 30, 2018	July 1, 2018 to December 31, 2018	January 1, 2019 to June 30, 2019	July 1, 2019 to December 31, 2019	January 1, 2020 to June 30, 2020
Aetna Better Health	N/A	N/A	N/A	N/A	34	76	127	134	154
Amerigroup Maryland Inc.	2,148	2,026	2,112	1,892	1,807	1,711	1,630	1,565	1,254
Jai Medical Systems	1,542	1,545	1,462	1,367	1,282	1,228	1,166	1,087	850
Kaiser Permanente	229	271	344	333	353	264	262	230	196
Maryland Physicians Care	2,393	2,427	2,557	2,416	2,445	2,300	2,212	2,199	1,830
Medstar Family Choice	688	707	759	787	755	704	680	676	573
Priority Partners	2,798	2,915	3,075	2,973	2,977	2,709	2,602	2,452	2,021
United Healthcare	1,847	1,673	1,578	1,468	1,325	1,280	1,168	1,108	949
UM Health Partners	376	457	533	523	583	581	558	491	407
Total	11,902	11,919	12,336	11,689	11,503	10,782	10,341	9,888	8,214

Table 6 shows the number of unique individuals with an antibody test and the number of tests delivered, based on MCO encounters only. In the first half of CY 2020, there were 37,759 antibody tests delivered to 35,525 HealthChoice participants. Priority Partners had the highest number of participants with a test and the most tests delivered; Aetna had the fewest. The decrease in the beginning in CY 2020 may be attributed to the COVID-19 pandemic.

Table 6. Count of HCV Antibody Tests among Medicaid MCO Members, Based on MCO Encounters only

(* indicates less than 10)

MCO	January 1, 2016 to June 30, 2016	July 1, 2016 to December 31, 2016	January 1, 2017 to June 30, 2017	July 1, 2017 to December 31, 2017	January 1, 2018 to June 30, 2018	July 1, 2018 to December 31, 2018	January 1, 2019 to June 30, 2019	July 1, 2019 to December 31, 2019	January 1, 2020 to June 30, 2020
Number of Unique Medicaid Enrollees									
Aetna Better Health	N/A	N/A	N/A	*	246	543	865	935	939
Amerigroup Maryland Inc.	7,284	7,093	8,399	7,996	8,696	8,246	8,855	8,814	6,566
Jai Medical Systems	5,423	5,295	5,381	5,513	5,654	5,406	5,619	5,375	3,499
Kaiser Permanente	2,322	3,097	3,739	3,942	3,998	3,894	4,235	4,214	3,016
Maryland Physicians Care	5,622	5,633	6,603	6,912	8,203	7,568	8,037	7,653	5,984
Medstar Family Choice	2,708	2,560	3,198	3,132	3,726	3,755	3,865	3,627	2,911
Priority Partners	7,827	8,163	9,256	8,573	9,924	9,275	9,804	9,801	7,547
United Healthcare	5,104	4,552	5,071	4,797	4,999	4,974	5,042	5,131	3,847
UM Health Partners	1,120	1,218	1,571	*	1,778	1,868	1,889	1,833	1,228
Total	37,384	37,580	43,186	42,427	47,190	45,496	48,168	47,343	35,525
Number of Tests									
Aetna Better Health	N/A	N/A	N/A	*	254	577	947	1,026	979
Amerigroup Maryland Inc.	7,674	7,509	8,861	8,421	9,158	8,705	9,434	9,626	7,160
Jai Medical Systems	5,642	5,540	5,628	5,799	5,934	5,678	5,932	5,653	3,620
Kaiser Permanente	2,445	3,257	3,952	4,193	4,253	4,163	4,549	4,570	3,224
Maryland Physicians Care	5,892	5,914	6,943	7,329	8,668	8,051	8,506	8,194	6,348
Medstar Family Choice	2,833	2,673	3,366	3,298	3,974	4,013	4,081	3,843	3,087
Priority Partners	8,332	8,573	9,752	8,972	10,441	9,788	10,687	10,443	7,951
United Healthcare	5,548	4,853	5,601	5,461	5,337	5,345	5,350	5,543	4,098
UM Health Partners	1,189	1,285	1,692	*	1,886	1,978	1,995	1,966	1,292
Total	39,555	39,604	45,795	45,174	49,905	48,298	51,481	50,864	37,759

Table 7 presents the number HealthChoice participants with a confirmatory test and the total number of tests based on MCO encounters only from CY 2016 through the first half of CY 2020. A total of 125 confirmatory tests were conducted for 123 participants in the first half of CY 2020.

Table 7. Count of HCV Confirmatory Tests among Medicaid MCO Participants, Based on MCO Encounters only

(* indicates less than 10)

MCO	January 1, 2016 to June 30, 2016	July 1, 2016 to December 31, 2016	January 1, 2017 to June 30, 2017	July 1, 2017 to December 31, 2017	January 1, 2018 to June 30, 2018	July 1, 2018 to December 31, 2018	January 1, 2019 to June 30, 2019	July 1, 2019 to December 31, 2019	January 1, 2020 to June 30, 2020
Number of Medicaid Enrollees									
Aetna Better Health	N/A	N/A	N/A	*	*	*	*	*	*
Amerigroup Maryland Inc.	19	15	27	19	29	31	31	38	43
Jai Medical Systems	*	*	*	11	*	*	*	*	*
Kaiser Permanente	*	*	*	*	*	*	*	*	*
Maryland Physicians Care	23	31	16	26	19	*	14	11	19
Medstar Family Choice	*	12	14	16	25	32	34	24	31
Priority Partners	36	64	21	20	25	16	28	18	13
United Healthcare	16	21	14	23	16	24	24	15	11
UM Health Partners	*	*	*	*	*	*	*	*	*
Total	114	155	104	120	122	116	141	117	123
Number of Tests									
Aetna Better Health	N/A	N/A	N/A	*	*	*	*	*	*
Amerigroup Maryland Inc.	19	15	27	19	29	31	31	38	44
Jai Medical Systems	*	*	*	11	*	*	*	*	*
Kaiser Permanente	*	*	*	*	*	*	*	*	*
Maryland Physicians Care	23	32	16	26	19	*	14	11	19
Medstar Family Choice	*	12	15	16	25	32	34	24	32
Priority Partners	38	65	21	20	26	16	29	18	13
United Healthcare	18	21	15	27	16	24	24	15	11
UM Health Partners	*	*	*	*	*	*	*	*	*
Total	118	157	106	124	128	116	142	117	125

Table 8 presents the number of RNA tests and the number of HealthChoice participants who received an RNA test based on MCO encounters only. In the first half of CY 2020, 6,611 RNA tests were

performed on 5,166 unique participants. Priority Partners had the highest number of tests performed and the highest number of participants with a test.

Table 8. Count of HCV RNA Tests among Medicaid MCO Participants, Based on MCO Encounters only
(* indicates less than 10)

MCO	January 1, 2016 to June 30, 2016	July 1, 2016 to December 31, 2016	January 1, 2017 to June 30, 2017	July 1, 2017 to December 31, 2017	January 1, 2018 to June 30, 2018	July 1, 2018 to December 31, 2018	January 1, 2019 to June 30, 2019	July 1, 2019 to December 31, 2019	January 1, 2020 to June 30, 2020
Number of Unique Medicaid Enrollees									
Aetna Better Health	N/A	N/A	N/A	*	17	57	88	105	99
Amerigroup Maryland Inc.	1,258	1,128	1,244	1,103	1,128	958	1,116	1,077	826
Jai Medical Systems	967	946	903	820	883	786	808	731	540
Kaiser Permanente	*	132	227	*	261	223	240	255	184
Maryland Physicians Care	1,449	1,340	1,532	1,409	1,471	1,280	1,483	1,440	1,113
Medstar Family Choice	371	340	472	453	518	494	450	420	390
Priority Partners	1,721	1,633	1,812	1,666	1,807	1,722	1,814	1,700	1,214
United Healthcare	951	828	820	765	733	708	692	632	563
UM Health Partners	*	232	274	287	332	322	344	285	240
Total	6,918	6,559	7,262	6,749	7,141	6,534	7,021	6,625	5,166
Number of Tests									
Aetna Better Health	N/A	N/A	N/A	*	23	77	124	133	119
Amerigroup Maryland Inc.	1,874	1,598	1,751	1,454	1,510	1,260	1,465	1,430	1,044
Jai Medical Systems	1,390	1,450	1,307	1,195	1,201	1,020	1,044	1,031	696
Kaiser Permanente	*	161	366	399	360	304	304	322	237
Maryland Physicians Care	2,113	1,827	2,008	1,854	1,896	1,653	1,822	1,820	1,418
Medstar Family Choice	531	453	608	588	652	618	558	535	513
Priority Partners	2,724	2,544	2,618	2,319	2,439	2,216	2,373	2,168	1,568
United Healthcare	1,382	1,109	1,151	1,087	1,007	921	893	837	722
UM Health Partners	316	322	372	*	454	422	434	387	294
Total	10,330	9,464	10,181	9,273	9,542	8,491	9,017	8,663	6,611

Table 9 presents the number of non-interferon prescriptions as well as the number of HealthChoice participants who received a prescription. In the first half of CY 2020, 1,485 prescriptions were written to 779 HealthChoice participants. Priority Partners had the highest number of prescriptions in that time period.

Table 9. Count of Non-Interferon Prescriptions among Medicaid MCO Participants, Based on MCO Encounters only

(* indicates less than 10)

MCO	January 1, 2016 to June 30, 2016	July 1, 2016 to December 31, 2016	January 1, 2017 to June 30, 2017	July 1, 2017 to December 31, 2017	January 1, 2018 to June 30, 2018	July 1, 2018 to December 31, 2018	January 1, 2019 to June 30, 2019	July 1, 2019 to December 31, 2019	January 1, 2020 to June 30, 2020
Number of Medicaid Enrollees									
Aetna Better Health	N/A	N/A	N/A	*	*	*	*	*	*
Amerigroup Maryland Inc.	156	110	98	84	114	115	87	110	94
Jai Medical Systems	145	139	118	93	72	64	54	89	112
Kaiser Permanente	27	38	32	*	*	*	*	*	*
Maryland Physicians Care	196	171	119	119	119	130	89	108	170
Medstar Family Choice	53	31	12	18	39	37	40	57	69
Priority Partners	272	223	179	157	168	125	136	128	211
United Healthcare	93	60	76	54	86	70	38	59	73
UM Health Partners	24	22	23	23	39	28	25	19	42
Total	965	793	653	559	643	577	473	572	779
Number of Prescriptions									
Aetna Better Health	N/A	N/A	N/A	*	*	*	*	*	*
Amerigroup Maryland Inc.	354	265	205	186	238	231	162	211	173
Jai Medical Systems	338	352	290	211	158	128	103	171	204
Kaiser Permanente	77	88	73	*	*	*	*	*	*
Maryland Physicians Care	477	410	248	273	239	267	168	196	322
Medstar Family Choice	146	78	19	44	85	71	74	114	135
Priority Partners	635	541	401	372	368	255	272	244	414
United Healthcare	220	117	180	119	182	135	70	109	139
UM Health Partners	51	60	57	54	76	51	52	38	83
Total	2,298	1,911	1,473	1,287	1,357	1,155	909	1,092	1,485

Table 10 shows the costs incurred by the MCOs. The MCOs received 1,633 supplemental payments in the first half of CY 2020 amounting to \$25.6 million. The average cost per payment was \$15,662, the lowest for the four-year period. On average, each participant receives 2.4 one-month treatments. Applied to the CY 2020 kick payment rate of \$15,662, the current full cost for a full course of medication (2.4 treatments) to \$37,590.

**Table 10. Cost of HCV treatment in HealthChoice Population,
Dates of Service January 2016 - December 2020, Billed through September 2020**

	January 2016 to June 2016	July 2016 to December 2016	January 2017 to June 2017	July 2017 to December 2017	January 2018 to June 2018	July 2018 to December 2018	January 2019 to June 2019	July 2019 to December 2019	January 2020 to June 2020	July 2020 to December 2020 (based on billed services through September 2020)
Number of Supplemental Payments	2,134	2,009	1,748	1,583	1,470	1,182	1,035	1,477	1,633	19
Total Expenditures	\$66.0 M	\$63.0 M	\$53.3 M	\$48.2 M	\$39.4 M	\$31.7 M	\$21.1 M	\$30.4 M	\$25.6 M	\$297,587
Average Cost per Supplemental Payment	\$31,345	\$31,370	\$30,492	\$30,456	\$26,840	\$26,819	\$20,412	\$20,582	\$15,662	\$15,662

MDH will continue to analyze and monitor HCV diagnoses, treatment, and the associated costs moving forward, both in the HealthChoice program and overall, for the Medicaid program.