



Title: HAAD Standard for Pharmacy Benefits Management Services in the Emirate of Abu Dhabi Reference: PHP/PHM/PBM/V0.9	Issue date: [March 2011] Revision date: [May 2012]
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1. Purpose

- 1.1. Pharmacy Benefits Management (PBM) is an important aspect of a modern healthcare system, and a key quality and cost auditing mechanism for the most prevalent intervention modality in Abu Dhabi: a drug prescription.
- 1.2. This Standard mandates the requirement to implement PBM services, and establishes the definitions and service specifications for the management and monitoring of pharmacy benefits under the health insurance scheme in Abu Dhabi, to ensure quality outcomes and efficient prescribing practices.

2. Scope

- 2.1. This standard applies to all health insurance products regulated by the health insurance scheme. PBM services for government-sponsored health insurance products, including the Basic, Thiqa, Aounak and Reaaya products must be applied from service date **1 September 2011**; and by **1 June 2012** for all other products.
- 2.2. It also applies to
 - 2.2.1. healthcare providers, payers and third party administrators (TPAs) approved by HAAD to participate in the health insurance scheme, and
 - 2.2.2. PBM service providers engaged by HAAD licensed healthcare providers, payers or TPAs to provide PBM services.

3. Duties, Compliance and Enforcement

- 3.1. Healthcare providers, payers and TPAs must comply with the requirements of this Standard.
- 3.2. It is the duty of healthcare providers and payers to:
 - 3.2.1. implement comprehensive PBM services in accordance with this Standard and the service specifications provided at Section 5;
 - 3.2.2. Where they commission PBM services from a third party, that they:
 - 3.2.2.1. contract only with PBM service providers accredited by a respected independent body (Section 5);
 - 3.2.2.2. ensure that a PBM service provider fulfills the service specifications as defined in this Standard;
 - 3.2.2.3. provide to HAAD information on the contracted PBM services, including the systems to be applied to manage PBM services and allow HAAD to verify compliance with the requirements of HAAD Data Standards and Procedures;
 - 3.2.3. submit to HAAD accurate, complete and up-to-date reports on PBM services offered and/or costs, when requested by HAAD; and
 - 3.2.4. allow HAAD to audit PBM service systems, including for contracted services, and records when requested, and cooperate with HAAD auditors.

3.3. HAAD may impose sanctions in relation to any breach of duties under this standard in accordance with the [HAAD Policy on Inspections, Complaints, Appeals & Sanctions].

4. Definitions

- 4.1. **Benefits administration** - Administer drug benefits and determine the drugs that are covered, and the extent to which generics and formulary drugs are covered in accordance with the HAAD health insurance products' benefits and patients' health insurance plan.
- 4.2. **Access** - Establish and maintain pharmacy networks through which drugs are dispensed in accordance with the Payers' Network of Providers.
- 4.3. **Claims processing** - Processing, adjudicating and reporting on prescription drugs claims.
- 4.4. **Customer Services** - Providing services before and after claiming, which may include eligibility and authorization services.
- 4.5. **Rebate Administration**. [as applicable] Negotiation of specific pricing terms for particular items on the formulary.
- 4.6. **Formulary management** - Refers to any activity that determines the contents of an available formulary and the rules associated with its application (e.g., defining first, second and third-line treatment for a condition). A formulary is a list of drugs designated by the PBM for their clinical effectiveness and cost efficiency. A PBM formulary must comply with the HAAD Formulary.
- 4.7. **Medicine Utilization Review (MUR)** – a collection of programs designed to ensure the safe, efficient and cost-effective use of medicines.

5. PBM Service Specifications

- 5.1. To provide PBM services, a PBM service provider must
 - 5.1.1. be accredited, or seek accreditation by a respected independent body, such as the Utilization Review Accreditation Commission (URAC). Accreditation must take into account the requirements of the HAAD Standards specified at 5.1.7. Accreditation must be attained by no later than **30 April 2012**, and continue to maintain accreditation;
 - 5.1.2. provide the full range of services as defined under Section 4 of this Standard, where agreed with a healthcare provider or payer. Where healthcare providers, payers, or TPAs contract with third party PBM service providers, they may handle some of the administration functions associated with the pharmacy benefits, such as call centre/customer service, and maintaining eligibility and enrollment;
 - 5.1.3. establish and implement measures to control fraud and abuse, assure quality of service and protect the privacy and confidentiality of enrollee records;
 - 5.1.4. have in place best practice ethical standards, including transparency and sharing information on PBM related activities, with an obligation to act in the best interest of their clients;
 - 5.1.5. have in place processes to respond appropriately to complaints;
 - 5.1.6. not engage in related business activities, such as pharmaceuticals and drugs manufacturing or distribution, or any other activities that create conflict of interest with the role of a PBM service;
 - 5.1.7. comply with all applicable UAE and Abu Dhabi Laws, and HAAD Policies and Standards, in particular:
 - 5.1.7.1. this HAAD Standard for Pharmacy Benefits Management Services in the Emirate of Abu Dhabi;
 - 5.1.7.2. HAAD Policy and Charter on Patient Rights and Responsibilities, in particular the requirement to provide at all times culturally and socially appropriate PBM Services;
 - 5.1.7.3. HAAD Generic Drugs Policy and the HAAD Approved Products Lists (also referred to as the HAAD Formulary);

- 5.1.7.4. HAAD Data Standards and Procedures (available at www.haad.ae/datadictionary); and
- 5.1.7.5. HAAD Standard for Health Insurance Claims Adjudication.
- 5.1.8. comply with the standards of the Abu Dhabi Systems and Information Centre (ADSIC) standards.