NON-DISCRIMINATION FORMULARY OUTLIER TOOL

Using this Guide

The following characteristics are intended to focus the user to where actions are warranted:

- Items that appear in *italics* are features. (e.g., See the *Instructions tab* in the Master Review Tool.)
- Items that are in **bold** type are functions. (e.g., **Click "Save." Click "Import Data from Master Review Tool.")**
- For space considerations, screenshots of Excel worksheets may not include the full data picture.

Loading the Data

Before you can begin the Non-Discrimination Formulary Outlier Tool steps, **download** the tool from SERVIS (https://servis.cms.gov/resources/document_detail?doc_detail_id=c2de042d-bf0e-4e2a-46da-53691d3dc025) (states) or CMSzONE (https://zone.cms.gov/document/2015-qhp-application-review-tools) (issuers).

If you are using this stand-alone tool, we recommend that you review the validation steps in the Master Review Tool *Formulary Outlier* tab to understand the logic of the tool and where justifications may overcome the tool's automated results.

1. If there are separate prescription drug templates for the individual and SHOP Marketplaces, **select "Yes;"** if there are not separate submissions for individual or SHOP Marketplaces, select **"No."**

2. If you select "Yes," the tool will prompt you twice – once for the folder where the individual prescription drug templates are located, and once for the folder where the SHOP prescription drug templates are located. If you select "No," the tool will prompt you once for the folder where all prescription drug templates are located.

3. **Select** the state being reviewed from the drop down in row 11.

4. **Select "Yes"** or **"No"** from the drop down in row 13 to calculate the state outlier thresholds.

   a. Selecting "No" will use the state thresholds; it is recommended that you only calculate the state outlier thresholds after all the prescription drug templates for every issuer in your state have been saved in the same folder.[1]

5. Type in the outlier multiplier (M) in row 15. The default and recommended outlier multiplier value is 1.5; a higher value will result in a more lenient review, while a lower value will result in a more stringent review.[2]

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[1] Waiting to calculate the state outlier thresholds until after all of the data has been obtained will give more complete and accurate results. After calculating the state thresholds the first time, you should not recalculate the state thresholds. Recalculating the thresholds may yield different results and cause some issuers to become outliers when they were not with the initial data. This could create a "moving target," which would be unfair to issuers and make it difficult for them to comply.

[2] The outlier multiplier should be $1.0 \le M \le 2.0$. See appendix for a detailed description of the outlier methodology (Tukey's Outlier Test).

6. **Save** the workbook.

7. **Click "Run Review Tool"** in row 18 to run the tool.

8. A pop-up window will open confirming review completion. The pop-up confirmation will not always have a "Note:" with an explanation of data run results.

9. **Save** the workbook again.

Note: If there is an error tab displayed, this tab lists any errors that were found while running the review. This tab will not be displayed if no data errors were detected.

Warning! Depending on the number of templates and drug lists that are run, this process could take several minutes. After selecting the folder containing your prescription drug templates, do not do anything with Excel until the process has finished. If you interrupt the process, the process will have to be started all over again.

Data Analysis

1. **Run** the Non-Discrimination Formulary Outlier Tool according to the instructions provided in the *Instructions tab*.

2. Once you have run the tool, **open** the *Summary Results tab*.

This worksheet provides a high-level overview of the tool results. The results for each category and class being reviewed are listed by issuer and their associated drug lists. It shows the outliers, the benchmark counts, the unrestricted count of chemically distinct drugs, and the individual formulary outlier review results for each category and class. Finally, it shows the overall formulary outlier review result for each drug list reviewed.

3. The *Detailed Drug Counts tab* displays the results of the review for each chemically distinct drug in the categories and classes being reviewed.

This review identifies plans with an unusually low number of unrestricted drugs in one of eight categories and classes:
*   Antivirals/anti-HIV agents, non-nucleoside reverse transcriptase inhibitors.
*   Antivirals/anti-HIV agents, nucleoside and nucleotide reverse transcriptase inhibitors.
*   Antivirals/anti-HIV agents, protease inhibitors.
*   Antivirals/anti-HIV agents, other.
*   Blood glucose regulators/antidiabetic agents.
*   Blood glucose regulators/insulins.
*   Immunological agents/immune suppressants.
*   Immunological agents/immunomodulators.

4. Using the data in the Non-Discrimination Formulary Outlier Tool tabs, go to the Master Review Tool *Formulary Outlier tab* and **populate** "**Met"** or "**Not Met"** from the drop-down menus at the top of each column in the SELECT REVIEW RESULT row for each issuer.

5. **Save** the Master Review Tool after you have completed the non-discrimination review.

6. After you have populated "Met" or "Not Met" for each issuer's plan in the Master Review Tool *Non-Discrimination tab*, **open** the Master Review Tool *Review Summary tab* to see the auto-populated results in row 16.

7. **Save** the Master Review Tool after you have completed the non-discrimination formulary outlier review