

Department of Social Services

Cost Containment Initiatives

State Fiscal Year (SFY) 2019

Program	General Revenue	Federal	Other	Total	Potential Savings Initiatives
Pharmacy	23,000,000	43,097,652		66,097,652	<ul style="list-style-type: none"> - Price scripts using National Average Drug Acquisition Cost (NADAC) pricing - Preferred Drug List (PDL) review - Add prescriber resources aligned with other payers
Outpatient Hospital	10,000,000	18,738,110	18,120,051	46,858,160	<ul style="list-style-type: none"> - Move outpatient reimbursement from cost to charge methodology to fee schedule and bundle payment - Health Home Expansion - Outpatient utilization review - FRA appropriation (provider tax) savings from Outpatient Hospital initiatives
Managed Care	7,000,000	13,116,677	20,116,677	40,233,353	<ul style="list-style-type: none"> - Efficiency adjustments to manage utilization - Fee schedule cap on hospital payments - Show-Me Extension for Community Healthcare Outcomes (ECHO) program savings
Total	40,000,000	74,952,438	38,236,727	153,189,166	