

Understanding Step Therapy



Providing access to the safest and most cost-effective medication therapy is the goal of a pharmacy benefit manager. With a multitude of medications on the market and multiple medications available in almost every therapeutic class, how can a Plan ensure that the use of medications for their beneficiaries is the most appropriate and effective? Through the use of various Utilization Management tools, such as Step Therapy, Plans help steer beneficiaries to the most clinically appropriate and cost-effective medication.

What is Step Therapy?

Step Therapy is a utilization management process much like prior authorization. Step Therapy ensures that plan participants use clinically appropriate drugs in a cost effective manner.

Step therapy protocols/algorithms are developed based on current medical findings, FDA approved drug labeling, and medication costs. In general, Step Therapy is applied to therapeutic categories that have multiple agents, comparable therapeutic efficacy and utilization and those that have generic alternatives. Generic drugs are commonly prescribed as the “first-line” agent due to their established safety and efficacy for treating a given condition, and are typically less expensive than branded medications. Select branded medications may not be covered unless a plan participant tries and fails an alternate “first line” agent(s).

Examples of therapeutic classes that may be subject to Step Therapy are listed in the table below.

Proton Pump Inhibitors (PPIs)	Non-Sedating Antihistamines (NSAHs)
Cholesterol Medications (“Statins”)	Ophthalmic Antihistamines
Nasal Steroids	Non-Benzodiazepine Insomnia Medications
Bisphosphonates	Non-Steroidal Anti-Inflammatory Drugs (NSAIDs)

How does this impact the beneficiary?

When a beneficiary presents a prescription for a medication that is under a Step Therapy Algorithm, the dispensing pharmacy receives an electronic message informing the pharmacist that the medication is under a Step Therapy algorithm. If PRxN is the pharmacy processing this prescription, PRxN will initiate contacting the physician to make them aware of the Step Therapy. Beneficiaries using retail network pharmacies would need to consult with their physician and PRxN to select the medication that is covered under the Step Therapy.

Occasionally, the “first line” Step Therapy agent may not be the ideal medication to treat the condition. Under these circumstances, or if the beneficiary meets certain medical exemption criteria, PRxN may authorize an alternative. If these criteria for an exemption are not met, the beneficiary and prescribing physician will receive notification that the prescription claim has been denied and outline the steps to submit an appeal.