

Louisiana Independent Pharmacies Association

What's New and What to Watch

LIPA Newsletter:

Bringing you the latest news and information concerning independent pharmacies and the profession at-large....



Dates to Know:

September 15—La Medicaid Webinar on Potential Change in Medicaid MCO for Members

September 21- Council on Medicaid Pharmacy Reimbursement Meeting

September 30 - Medicaid Provider Re-enrollment Deadline

October 7- Northeast La District Meeting

October 8 – ULM Tailgate

October 12 - PBM Monitoring Advisory Council Meeting

October 15- Medicare 2023 Open Enrollment Begins

It has been another busy week at the LIPA office with a number of different meetings including Thursday's meeting of the OGB Policy & Planning Board, the regional meeting in Lafayette on Wednesday evening, meetings with LIPA attorneys and submission of multiple public records requests to OGB, requests to LDH for data related to Medicaid pharmacy reimbursement, and making recommendations for Council on Medicaid Pharmacy Reimbursement bylaws to maximize transparency and provide online access to meetings.

Office of Group Benefits (OGB) Update

Your LIPA team continues to engage in conversations with the Division of Administration, legislators, and OGB about our concerns with the **current year** emergency contract for pharmacy benefit services held by Express Scripts. Although that contract ends on December 31, 2022, pharmacies have seen negative reimbursements, patient steering, and egregious direct-and-indirect remuneration (DIR) fees. OGB is trying to finalize a contract for the calendar years 2023 through 2025 with CVS/Caremark as quickly as possible. Because OGB did such a poor job negotiating its last contract with ESI, and without the critical input of key stakeholders, we're puzzled why OGB is trying to rush into the next one with CVS/Caremark.

OGB has asserted that the contract they have negotiated will **save** the agency 20%. This conflicts with information that the contract with CVS/Caremark is projected to cost over \$200 million more per year than this year's contract with Express Scripts. OGB provided few details at the Policy and Planning meeting yesterday, but the math simply doesn't add up at first glance. It also raises the question how OGB can legally execute a multi-year contract with terms this different from the 2020 Request for

Proposals and the current year emergency contract. It's an ongoing concern because OGB has shared the public version of the contract with the policy and planning board, but thus far has refused to share that contract with anyone else.

Earlier this week, LIPA submitted a public records request for the CVS/Caremark contract to OGB. As of this writing, we have yet to receive a copy despite representatives from OGB stating members of the Policy and Planning Board have had a copy approved for the public since last Friday. We'll see whether OGB is willing to violate public records law to shield the terms of the current contract.

Because OGB has not shared this public record yet, we do not know the terms of the contract. Even when we get the contract, much, if not most of it, will be redacted because OGB, their consultant, or CVS/Caremark claims the information to be proprietary. Without that information, it makes us wonder if OGB will allow its quarter of a million members to be abused by CVS/Caremark the same way it allowed them to be abused by ESI with reduced access to prescription drugs at the pharmacy of their choice. And for what purpose? Apparently OGB is focused on building its cash reserves and is recommending a ~21% premium increase for one of its health plans, just a year after increasing that premium by ~24%. We question whether rebates OGB receives from its PBM may be their highest priority in their quest for additional revenue to further build up these cash reserves, at the expense of access for their members and fair reimbursement to Louisiana small business.

Midweek, one pharmacy reported having being unable to fill multiple OGB members prescriptions due to negative reimbursement. That rural pharmacy would have lost \$35, \$40, and \$45 on the three prescriptions for those OGB members. Another reported that OGB prescriptions for insulin and other brand drugs are being referred to a pharmacy 15 miles away. With unfavorable terms like these, rural Louisiana will be a pharmacy desert sooner than later.

It is vital that contracts between Louisiana taxpayer-funded health insurance programs for state retirees, employees, and dependents and their pharmacy benefits manager are fully disclosed. LIPA consistently promotes transparency. Contracted vendors are used more frequently these days, but state agencies must go about it properly. For instance, Medicaid MCO contracts and amendments are posted on the LDH website. If state agencies cannot negotiate and monitor these contracts in-house, they must bring in outside counsel to ensure they are upholding their fiduciary duty and representing the interests of their members and the taxpayers to the best of their ability. Unfortunately, if an agency is asleep at the wheel, its members, and the taxpayers, ultimately suffer the consequences.

Information Request: Express Scripts DIR/Effective Rate Pricing

We still need any data you can provide to show OGB, DOA, and legislators the degree to which reduced reimbursement from ESI or DIR fees/Effective Rate Pricing for OGB claims are steeply increasing. In particular, look at:

- RX bin: 003858
- PCN: -A4
- RX groups: 2AXA or ST222ERC/8305

One pharmacy has shared data with us showing the year-by-year increases in DIR fees assessed by Express Scripts—we cite them because they are currently the OGB Pharmacy Benefit Manager—have escalated since 2016 (~\$1,100) to over \$20,000 in 2021. Already in calendar 2022, DIR fees assessed by Express Scripts exceed \$80,000. The only difference to that pharmacy – in 2022, ESI was the PBM for OGB. **To what extent is this being driven by the quarter of a million OGB members for whom Express Scripts became the PBM effective January 1, 2022???** Those pharmacies that have a larger patient base of state employees/dependents and retirees can attest to the difference they are seeing in their bottom line.

Beginning January 1, 2023, OGB intends to award its PBM contract to CVS/Caremark. Prior to the award of that contract, it is vital for the members of the OGB Policy & Planning Board and the [Joint Legislative](#)

[Committee on the Budget](#) (JCLB), which must ultimately consider the contract, to understand the negative impact OGB members encountered while dealing with them as the PBM for OGB. JLCB will tentatively meet on Friday, September 16th.

We do not currently have any reason to believe OGB members will be treated better by CVS than they were by ESI, and because of the short timeline, we need to gather this data now so committee members and the public can be made aware of the potential harm. If OGB indeed allowed its PBM to increase DIR fees for one pharmacy by 300% in its emergency contract, it stands to reason they could allow it to happen again. It's unclear why, but if it does happen, how will network adequacy be affected and will patients still be able to receive their prescription medications for their pharmacy of choice?

Flu Season is Right Around the Corner—is Your Pharmacy Ready?

Does your pharmacy offer and promote flu shots? As infections are increasing across our state and nation, we want to ensure you are prepared to meet your community's needs this flu season. Protective measures from the COVID-19 pandemic kept influenza rates at very low levels over the last few years, but that may change this year. We expect LDH will release provider resources for the upcoming flu season in the coming weeks, so we will keep an eye out and be sure to share that important information with you. These resources often include a variety of patient messaging materials, such as flyers and posters for your pharmacy, as well as infographics about the recommended preventive measures. Contact the LIPA office at (225) 308-2030 if you have any questions or concerns.

Recap of Regional Meeting in Lafayette

On Wednesday evening, LIPA Regions 5, 6, and 7 met in Lafayette to network and discuss current issues impacting the practice of pharmacy. Roughly fifty people joined us, including Representatives: [Beau Beaulieu](#); [Marcus Bryant](#); [Jonathan Goudeau](#); [Mike Huval](#) (House Insurance Chairman); [Blake Miguez](#); and [Vincent Pierre](#). Sen. John Kennedy's Acadiana Region Representative also joined us.



LIPA staff, members, and guests spent time discussing current events at the Office of Group Benefits (“OGB”) and Louisiana Medicaid. As we discussed above, OGB is attempting to finalize its contract with CVS/Caremark for pharmacy benefit management services. We discussed the issues we experienced with OGV during the last round of contract negotiations and shared our plans during this round.

Despite the issues at OGB, we spent most of our time discussing the Medicaid program. Topics included the six managed care organizations; Magellan, the single pharmacy benefit manager for Medicaid; and the Council for Medicaid Pharmacy Reimbursement. We also discussed DIR fees and their impact on the patients and pharmacies in their communities and made legislators and public officials aware of the challenges we anticipate for Medicare patients to get their prescriptions filled starting January 1, 2023.

Each of these issues will significantly impact independent pharmacies in the coming months, so it was great to get together with everyone to share ideas and update legislators on current issues.

Reformulated Bivalent Booster Vaccine Information

LDH issued [Health Alert Network memo # 22-30](#) late last Friday (September 2) announcing approval of the new reformulated COVID booster vaccines from both Moderna and Pfizer. Links to the Fact Sheets for Providers can be found at the end of the memo. Importantly, **any existing stock of original monovalent booster vaccine should not be used for individuals ages 12 and older**. OPH Vaccine and Procurement Manager, Adrienne Mercantel Whitney, advised that orders for the new bivalent booster vaccine were placed in LINKS beginning September 1 and will be delivered next week. The Louisiana pharmacies who have received the vaccine ordered it through the federal partnership.

Anyone age 12 and older who has completed the primary vaccine series and it has been at least two months since their last COVID vaccine (primary dose or booster) is eligible to receive the new COVID booster. You may have patients with no more “space” on their original COVID-19 Vaccination Record Card if they have received two booster doses. In such cases, begin a new card and **staple the cards together**. We have been informed us that Pfizer is behind on their delivery of vaccines due to the Labor Day Holiday. [Politico reported](#) this week that like flu shots, COVID boosters are expected to become an “annual vaccine cadence” for healthy Americans each fall, rather than ad hoc and outbreaks and new variants appear.

Is Your Pharmacy Determine Willingness to Administer Monkeypox Vaccine?

Is your pharmacy willing to administer the Jynneos monkeypox vaccine in your community or neighborhood? LDH has indicated they believe that availability of the vaccine in independent pharmacies would increase access as well as reduce stigma. On the [current list of vaccine locations](#) we see only one pharmacy-- LIPA member pharmacy Mandeville Pharmacy—included. You can e-mail la.immunization@la.gov for more information. So far, 17 additional independent pharmacies have expressed willingness to carry the vaccine and OPH is currently working on their next steps.

LDH’s Final Webinar on Upcoming Medicaid Managed Care Changes

Louisiana Medicaid will be hosting the sixth and final scheduled provider webinar to review upcoming changes to the Medicaid managed care program and the potential changes in health plan enrollment for Medicaid members. The information shared will focus on the addition of a sixth health plan (Humana) to the managed care program and the health plan **auto reassignment** of most current members prior to January 1, 2023.

It is highly possible that Medicaid enrollees could be enrolled in a **different** health plan effective January 1st if they do not request to change back to the Medicaid MCO they are currently enrolled in. This will mean that claims would need to be submitted to a different PBM beginning January 1, 2023, and until the single PBM goes live

Thursday, September 15, 2022 (one webinar)

Time: 3:30 – 4:30 p.m.

[Zoom link](#)

Zoom Passcode: 522498

LDH Has Announced Intent to Award Single Medicaid PBM Contract to Magellan

LDH has announced its intent to award the single Medicaid PBM contract to Magellan Medicaid Services following a competitive procurement. The contract has not been finalized as the protest period will not end until next week (September 13th). Members have asked what the single PBM means for the state's independent pharmacies.

Magellan owns Provider Synergies, the entity that develops, implements, provides support to both the State Supplemental Rebate program and the single Medicaid Preferred Drug List PDL. If awarded, Magellan will serve as the single PBM for the Managed Care Program. The legacy Medicaid pharmacy program will remain. It remains to be seen whether we could see additional pressures coming down on physicians and pharmacies from the PDL (which is heavily influenced by those state supplemental rebates). Magellan makes recommendation for brand-over-generic drugs to maximize manufacturer rebates, irrespective of the inventory and reimbursement implications for pharmacies.

The PBMs for the Medicaid program including the Single PBM would be required to pay our pharmacies no less than the Fee for Service Rate (FFS). Although the FFS rate is approved by CMS State Plan Amendment, it is currently NADAC (AWP in absence of NADAC) 10.99 +.10 provider fee.

The single PBM does represent streamlining and simplification. Louisiana's statutes include language such as: "any willing provider" for Medicaid pharmacy network, that community pharmacy reimbursement will not be less than in the Medicaid fee-for-service program.

Help Needed—Please Take Our FDS Amplicare/EnlivenHealth Usage Survey

We are looking to gather information from LIPA members regarding our partnership with FDS Amplicare (now known as EnlivenHealth). The button below will bring to a short, eight question survey that will help us decide how we should move forward with them. Specifically, we want to know how much your pharmacy uses their platform and the plan comparison data they offer. Please contact the LIPA office at (225) 308-2030 if you have any comments, questions, or concerns.

<https://forms.office.com/r/uEA9AhktB3>

Attn: LINKS Important Message

A few members have contacted the LIPA office with questions regarding an announcement they received on the LINKS website. **This message is only for active providers in the Vaccine for Children Program (VFC) in CY 2021.** If you were a VFC provider in '21, you must re-enroll and be approved by October 14, 2022, to remain active and continue placing VFC vaccine orders. To begin the recertification process, click on the VFC/VOMS icon on the [LINKS home page](#) for instructions. If you are not currently enrolled as a VFC provider, but would like to be, please contact the [Louisiana Immunization Program](#) at (504) 568-2600.

Vantage Health and Medicare 2023 Open Enrollment

With Medicare Open Enrollment slated to begin in just over a month (October 15th) and the 2023 Medicare contracts that you have received, a number of pharmacies are looking at Vantage Health as a win-win plan for both the patient and the pharmacy provider. What do we expect as far as Vantage Health's PBM moving forward? They are 100% owned by Blue Cross Blue Shield of Louisiana, and in the process of further "merging" their 1300 employees (headquartered in Monroe) to BCBS. In conversations with leadership at BCBS they indicated that they do not anticipate any PBM changes during the next 16 months (**through 2023**); After that, it remains to be seen and changes are possible. As you know, Blue Cross of Louisiana's PBM is Express Scripts. We will continue to advocate for community pharmacies as healthcare providers. Possibly the work a number of you have done with Vantage Health can transition to a more involved Medicare relationship with Blue Cross Blue Shield.

Extension of Paxlovid Expiration Dates

OPH Director of Pharmacy Services Leah Michael requested that we share the following with member pharmacies who have Paxlovid in stock:

The Administration for Strategic Preparedness and Response (ASPR) and the Food and Drug Administration (FDA) announces the authorization of an extension to the shelf life from 12 months to 18 months for certain lots of the Pfizer antiviral therapy, Paxlovid (nirmatrelvir tablets and ritonavir tablets co-packaged for oral use), which is currently authorized for emergency use for the treatment of mild-to-moderate COVID-19 in certain adults and pediatric patients (12 years of age and older weighing at least 40kg).

As a result of this extension, lots of Paxlovid with dates of expiry from July 2022 to May 2023 may be stored for an additional six months from the labeled date of expiry (see Table 1 below). As required by the emergency use authorization, unopened cartons of Paxlovid (300 mg nirmatrelvir and 100 mg ritonavir, or 150 mg nirmatrelvir and 100 mg ritonavir), must be appropriately held in accordance with storage conditions detailed in the authorized [Fact Sheet for Health Care Providers](#). The FDA granted this extension following a thorough review of data submitted by Pfizer.

Table 1: Extended Expiry Dating for Paxlovid Authorized under EUA 105

Labeled Expiry Date (YYYY-MM)	Extended Expiry Date (YYYY-MM)
2022-07	2023-01
2022-08	2023-02
2022-11	2023-05
2022-12	2023-06
2023-01	2023-07
2023-02	2023-08
2023-03	2023-09
2023-04	2023-10
2023-05	2023-11

Pharmacist and Patient PBM Complaints

LIPA is willing and able to assist you in filing complaints with an appropriate regulatory or administrative body in any manner you like.

In our experience, regulators, and entities responsible for enforcement take the position that “if it’s not documented, it didn’t happen.” On multiple occasions, the Insurance Commissioner, or his staff, have commented on the low level of actual complaints they have received regarding PBMs. We believe it is vital to demonstrate that non-compliance with state law is not just a “one off” that impacts a handful of pharmacies but is **systemic**. Please continue to send all complaints, along with any relevant documentation to legal@lipa.org, and we will file a complaint on your behalf to LDI. You can also call our office at (225) 308-2030 to get started on a complaint. It is important for us to work with you to file complaints promptly in order to force adherence to the laws of Louisiana. The laws passed are not worth anything if we cannot get LDI and the Board of Pharmacy to enforce them.

NADAC Price File Watch –Publication Date 9.7.22

Our LIPA staff will file NADAC appeals to Myers & Stauffer on your behalf. To do so, we need the actual invoices for each drug and a spreadsheet of the drugs; attached is an example of the spreadsheet that contains all the information needed to fill out an appeal form.

[Drug List Spreadsheet Example](#)

Below are the instructions for Pioneer and Liberty users to create a weekly report. Please send all NADAC drug pricing spreadsheets and invoice emails to appeals@lipa.org. Once we have received BOTH the invoice and drug information spreadsheet, we will submit appeals as quickly as possible.

[Pioneer System Instructions](#)

[Liberty System Instructions](#)

We are still working to develop report criteria for other software systems to help pull the report needed for LIPA to file your NADAC appeals. If you are a pharmacist who uses a system other than Pioneer or Liberty and would be willing to work with us to develop the report spreadsheet, please email appeals@lipa.org with your name, your pharmacy's name, and which system you use.

For pharmacies using Pioneer wishing to look at a drug's NADAC history, please follow these directions:

- On the Item Pricing screen, you will see a line showing NADAC. Select "history" on the right of that number. From there it will show the historical NADAC rates and date changes.

For pharmacies that are not Pioneer users, when looking through the most recent Weekly NADAC Report, there is a tab at the top labeled "As of Date: ____." By selecting the tab, you are presented with ways to filter the data.

The 2 easiest ways to search for a drug are by "NDC Description" or "NDC". When searching either filter you will need to set the "operator" tab to "contains." For NDC Description use only drug name and strength. When searching by NDC, simply type the NDC without hyphens.

The Louisiana Medicaid ingredient cost component of pharmacy reimbursement is based on the NADAC published price. This week's NADAC report contains no drugs on the comparison list.

[Weekly NADAC Report](#)

NADAC represents the national average price paid by chain and independent pharmacies to acquire prescription-covered outpatient drugs, as determined by a monthly survey conducted by Myers & Stauffer for CMS. While the nature of an average is that some are reimbursed above cost, and some are reimbursed below cost, our concern with Myers & Stauffer's NADAC price is that we are seeing increasing gaps between NADAC prices and the actual cost our pharmacies must pay. Filing appeals to Myers and Stauffer can bring to their attention—and the attention of other stakeholders—the discrepancy between the actual acquisition cost for Louisiana independent pharmacies and the national average.

To help us prepare for the Medicaid Reimbursement Advisory Committee Meeting, LIPA is requesting your data regarding the top 10 prescriptions dispensed in the Medicaid FFS/Medicaid Managed Care population on which you are losing the most money on with NADAC ingredient pricing (provider's cost is less than NADAC's price). All we need from your pharmacy is the Drug Name, NDC, the price you pay for the drug (invoice price), and the invoice date. We have included an excel spreadsheet to show a basic format you can use. Please email your completed spreadsheet to appeals@lipa.org. Thank you for your continued involvement with NADAC Appeals as we gather data, to bring forward to regulators and decision-makers.

[Top 10 Drug Spreadsheet Example](#)