

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:

May 22- Deadline for COVID Vaccine Providers to Verify DDL Thermometer to OPH

May 25 – FTC Comment Period on PBMs Ends

June 6 — Legislative Session Adjourns No Later Than 6 PM

June 30—Medicaid Provider Re-enrollment Deadline (Pending CMS Approval)

July 7-9 — LPA Conference, Biloxi, MS

Louisiana pharmacy audit laws are among the most significant in the nation. We attempted to amend those laws with Senate Bill 32 on Tuesday and suffered a setback due to misinformation and misrepresentation. We were **unwilling** to undermine our existing laws, including R.S. [22:1856](#) and [22:1856.1](#), and we will continue to work with the House Insurance Committee and the rest of the legislature on these issues on behalf of Louisiana Independent Pharmacies.

As we continue our work in the legislature, we still have significant tasks ahead, including [Senate Bill 99](#), which requires PBMs to be licensed by the Board of Pharmacy. The reported action by the Mississippi Board of Pharmacy last week motivated the PBMs to oppose changes to Louisiana law. [Senate Bill 83](#), which brings reimbursement adjustments for the Medicaid Program, will also be up on the House floor soon. If the PBMs and LDI want us to bring more items before the PBM committee—let's do so, starting with how many claims you have filed with the PBM Sav-Rx. Last May, the CEO of Sav-Rx testified to the House Insurance Committee that Sav-Rx handled thousands of claims a year for their members; however, LDI's licensure database shows that they were not issued a TPA license until April 1, 2021. Earlier this week, LIPA composed a [letter](#) to Commissioner Donelon to provide him with this information. Please search your records for claims data from Sav-Rx from the past five years and be sure to contact the LIPA office at (225) 308-2030 if you have any questions or concerns.

In other news, the House Appropriations Chairman, Rep. Jerome "Zee" Zeringue, asked members of the House to concur on Senate amendments to the \$39.8 billion-dollar annual operating budget on Thursday—the largest spending plan in state history. The fast-tracked money bills, which have traditionally kept lawmakers working through Memorial Day weekend, means the Governor's ten-day window to complete line-item vetoes begins when the budget hits his desk today—and true to their plan, the legislators will still be in session to override any vetoes to which they object.

The record-time passage of the budget left little time for lawmakers to review the details of how the Senate amendments influenced the plan. Regardless of the expressed apprehension of a 24-hour turnaround, the motivation to get the spending plan to the Governor prompted an overwhelming majority of votes for the budget and capital outlay bills.

This Wednesday (5/25) is Deadline to Submit Comments to FTC on PBM Practices

If you have not yet submitted written Comments to the FTC regarding how PBM business practices adversely affect your small business, that “window of opportunity” closes next Wednesday as the deadline for Comments is May 25th. Your comment can be a few sentences or multiple pages but it matters and it is critically important to get from the abstract to real world implications. You can best tell your story. The FTC indicated that they are interested in learning more about PBM **contract terms**, rebates, fees, pricing policies, **steering methods**, conflicts of interest, and consolidation practices. LIPA members are “subject matter experts” in all these areas. Note that it is not necessary to prepare and upload a formal letter to the FTC. In fact, we recommend that form letters **not** be sent, even if you do some personalization to it. You can just type (or cut/paste) comments directly into the [FTC Comments form](#).

[Comments](#) posted this week on the FTC website include those from an independent pharmacist in southern Virginia that has been in business just seven months, a pharmacist in northeast Arkansas and a pharmacist in New York who is also in their state legislature. Here is an excerpt from the Arkansas pharmacist’s comment:

Please understand that I am a businessperson. I believe in capitalism, and I understand that field is not always fair. I accept that, but when the game is rigged so far to one side (that side being a for-profit business whose mission is to make shareholders money) that you can barely step on the field, the consumer suffers. There is no other business model that works in a similar fashion. Please step-up and fight for the patients that need affordable and accessible medications. I had typed a long letter with multiple points, but I deleted it. I only have the following statement to make because it is all that really matters. This year was very difficult for our customers. Huge Part D deductibles brought numerous customers to tears. It was heartbreaking when we had to tell customers the price of their medications. I try to be a positive person, but it was difficult seeing elderly individuals that I have grown very close to cry. On multiple occasions, customers would not pay, and their spouse or a family member would come back and pay for the medication because they knew it was necessary. It is shameful for me to say, but I have been checking into other professions because I don't think I can handle continuing to watch good people stripped of their money due a broken business model. "

In regard to contracting and “negotiating” with the PBM, the Virginia pharmacist shoots down that myth: *Independent pharmacies must rely on a Pharmacy services administrative organization (PSAO). This relationship is to help independent pharmacist[s] (not corporate pharmacies, they have their own contracts) establish contracts with the PBMs. **These contracts are not negotiable on the surface.** I have heard that [a]pharmacist can spend endless hours to negotiate a contract. A contract. Do you know how many PBMS there are? Do you know how many pharmacy plans there are within each PBM? It makes me cringe to even type this. It is bullying in the worst way. And it is NOT “the way we have always done it”! My PSAO doesn’t contract with many of the larger PBMS. These contracts had to be obtained on our own. I never spoke with one person from these companies. I filled out all the information online. They sent me documents to sign. **No discussion. No negotiations.** [emphasis added] Get you what you get and don’t throw a fit. That should be the new pharmacy motto.*

Enough is Enough--Time to Make Hard Decisions

Negative reimbursement and PBM audit practices have reached the point that pharmacists are concluding they have **no choice** but to discontinue stocking and dispensing certain products. One such example is the brand name Suboxone film. One of our members indicated he saw a net loss of \$800 over the past six months dispensing name brand Suboxone and will no longer stock and dispense.

Medicaid Eligibility Now Expected to Be Extended Beyond July 15th

The Biden Administration has committed to providing states with at least 60-day notice of the end of the public health emergency. Since the emergency is currently in effect through July 15th, if the HHS Secretary was **not** going to extend the emergency, an announcement would have had to be made on Monday. CMS

and stakeholders are in overdrive planning for the end of the public health emergency and resumption of Medicaid renewals. The possibility is that when renewals resume, tens of thousands of Medicaid enrollees will lose eligibility because they fail to complete the renewal process. One of the primary reasons for this is that they are not even aware of the need to reenroll.

LDH Launches Pink Letter Campaign to Keep Eligible People Enrolled in Medicaid



LIPA received communication from Medicaid this week requesting help from pharmacy providers in sharing important health coverage information with Louisiana Medicaid members. Earlier this month (May), Louisiana Medicaid and the five Medicaid health plans sent **pink letters** to every Medicaid household in an effort to confirm they have their current mailing address on file. Providers can help get the word out to their Medicaid patients that if they do **not** get a pink letter by the end of May, **they need to update their contact information with Medicaid.** A correct mailing address is critical as Medicaid will send a letter to members when it is time to renew **or** when they need more information from a member. If members do not respond to these requests, they **run the risk of losing their healthcare coverage, even if they are still eligible.**

The Department indicated they do not know when the federal COVID-19 Public Health Emergency (PHE) will end, but when it does all Medicaid members must go through an eligibility review process. Some of these reviews can be completed using electronic databases, but many will require members to respond by mail.

LDH has created a communications toolkit with resources that can be used to spread the word about the “pink letter” and the importance of Medicaid members keeping their contact information up to date. The toolkit contains materials that can be posted or distributed, as well as contacts for updating contact information. Additionally, you can download all of the materials [here](#) from the www.healthy.la.gov website under the Resources tab. The toolkit includes graphics about the pink letter that you can print and post or use as bag stuffers.

Technical Assistance Available for Filing PBM Complaints with DOI

Resolution of PBM-related complaints filed with the Louisiana Department of Insurance (LDI) must include conferring with the PBM or insurer to confirm or dispute facts, followed by the Department making an actual determination as to the validity of the complaint. If a violation of state law has in fact occurred, prompt action needs to be taken, including an assessment of the maximum possible financial penalties, and requiring corrective measures. It is not enough to simply verify that the PBM responded to the complainant. That does not address the violation.

While DOI has voiced questions about their authority to regulate self-insured health plans, there is no question or debate that LDI has the authority to enforce state laws for fully insured insurance plans in Louisiana. Daily violations of state law by PBMs can be documented for patients enrolled in fully insured plans with formal complaints to DOI filed. Prompt pay, remittance advice content, and patient steering are among the most obvious violations we see on a daily basis. In addition, Blue Cross [member ID cards](#) contain

language indicating whether the health insurance plan is “fully insured” or an Administrative Services Only (ASO) self-insured plan in which the employer sets premiums and the insurer does not assume any financial risk.

LIPA is willing and able to assist you in filing PBM complaints with LDI in any manner you like. Please send us the context of the complaint, along with any relevant documentation, and we will draft a letter to the department on your behalf. The letter will formally list out each Louisiana law that is being violated and the corresponding complaint. You can also call the office at (225) 308-2030 to get started on a complaint. Your LIPA team is always available to help you in any way that we can; please reach out to the office if you have any questions or concerns.

Desktop, On-Site or Inventory— Audits are Audits

You may recall that we previously removed the terms “Desktop” and “On-Site” from our pharmacy audit laws. We want to remind everyone that no matter the type, an audit is an audit, and must be done in accordance with Louisiana law. We are hearing reports from members across the state that one of the auditors performing ESI’s audits looks for calculation of insulin, creams and ointments. In these cases, have you documented the package size of ointments and creams being the smallest package size available to ensure the administration of the pharmaceutical is in accordance with the prescriber's orders. As we have typically seen with pharmacy audits, they do not address patient health and safety concerns, much less fraud or abuse. Instead, the PBM or auditor manufactures discrepancies instead of working with the prescriber, pharmacy, or patient to ensure the proper continuation of care each of you provide daily.

LIPA is available and willing to partner with you to aid in any way that we can. Let LIPA know immediately if you receive advance notice of an audit, and we will be happy to assist you or answer any questions you may have. Also, please reach out to us if you see any audit practices that you think may violate Louisiana laws. RS [22:1856](#), [22:1856.1](#) and [22:1860](#) are the primary audit laws in Louisiana, however, LIPA incorporates the entire pharmacy practice act and insurance code to review audits by PBMs or their third-party auditors. LIPA stands ready to assist on audits from PBMs. You can reach us at our office at (225) 308-2030 or by emailing legal@lipa.org

COVID Cases in Louisiana Are Increasing

This week, the number of patients hospitalized with COVID has been inching up and is now back over 100 patients. We are still a long way from the number of positive cases and hospitalizations seen during the Delta surge or more recent Omicron surge, these increases bears watching. We saw one estimate that 95% of people in Louisiana are either fully vaccinated, had COVID, or both. A Tuesday [story](#) in the **Alexandria Town Talk** stated that Louisiana ranks 40th among the states where coronavirus was spreading the fastest on a per-person basis, a USA TODAY Network analysis of Johns Hopkins University data shows. The number of COVID home tests means that the number of positive cases reported by LDH does not include all of the positive cases. Speaking of home tests, the federal government is offering every household a third round of free at home COVID tests. For Round Three, households will be mailed eight tests (rather than four).

With the increase in cases, some of the LDH Regions (Region 4/Lafayette, Region 5/Lake Charles, and Region 6/Alexandria) are focused on outreach to nursing homes in their respective regions to increase the number of residents who are “[up to date](#)” with their vaccines. To be considered “up to date” one must have gotten all vaccines for which they are eligible (including the second booster which can be administered to adults 4 months after the first booster).

Paxlovid Resources

Using the [COVID-19 Therapeutics Locator](#) , you can readily identify locations in your area that have Paxlovid (and other COVID therapeutics including Evusheld) in inventory. As of this morning, 513 locations are listed as having a total of 12,797 courses of treatment in inventory.

Pharmacies interested in receiving and dispensing Paxlovid need to first have an HPOP account. If you do not have an account set up, you can e-mail Leah.Michael@la.gov with pharmacy name, address, name of Point of Contact and their e-mail address/phone number. She will have the activation link to set up a portal account mailed to that address, at which point you will need to input your pharmacy license # issued by the Board of Pharmacy and verify hours of operation.

Providers should place orders for Paxlovid directly in HPOP. The orders will be reviewed and approved by Ms. Michael with the product shipped from Amerisource Bergen. Ms. Michael indicated that this past week, following a “lull,” orders for about 500 courses of treatment were placed through the state.

COVID Boosters for Children Ages 5-11 Approved by FDA

On Thursday, the FDA issued [new guidance](#) that children age 5-11 have a Pfizer booster **five months** following their first dose. Keep in mind that the interval for adults is four months, rather than five months. As of the end of April Louisiana—at 11.9%-- had the second lowest COVID vaccination rate for children ages 5-11—higher than Alabama (10.1%) but lower than Mississippi (12.2%). Also, note that the \$200 Medicaid gift card is not available for boosters—only first and second doses.

Attention Certified Immunizers: Medicaid Requires Individual Enrollment

Pharmacists who are certified immunizers and order/prescribe immunizations for which Medicaid is billed under the pharmacy’s Medicaid provider #) are required to be enrolled in Louisiana Medicaid as a “prescriber only.” Some pharmacists enrolled as a prescriber a dozen years ago—as early as 2009—and no longer have their Medicaid Provider number—or even recall completing the enrollment. It could have been handled by their employer at the time. A substantial number of individual pharmacists enrolled as prescribers in Louisiana Medicaid are no longer at the address reflected on the Medicaid Provider File and have not received the “invitation” or reminders to re-enroll that were snail-mailed by Gainwell.

The bottom line is if a pharmacist is a certified immunizer and orders or prescribes immunizations for which Louisiana Medicaid enrollee is billed, they should be enrolled as a prescriber only and must re-enroll via the online portal no later than 6/30/22. or claims for which they are the prescriber will be denied.

LIPA continues to do one-on-one outreach to pharmacists on the Medicaid list of pharmacists who have not yet re-enrolled and who are associated with a LIPA-member pharmacy or other independent community pharmacy. The chains and institutional providers have (many) hundreds on the list as well.

We have identified some certified immunizers for whom Gainwell is not showing a Medicaid Provider # and need to enroll as a pharmacist “prescriber only” (Provider Type 33). Here is the link for that https://www.lamedicaid.com/provweb1/provider_enrollment/PT33_Prescriber_Only.pdf

The critical information needed to re-enroll is the Medicaid Provider ID # and NPI along with city, state, and zip on the Medicaid file. Do you have questions about your Medicaid Provider Re-enrollment Status? LIPA can confirm pharmacies and pharmacists that are listed as pending as of the first week of May. You can check your status by e-mailing (please include NPI and/or Medicaid Provider #) kennedy@lipa.org .

DDL Thermometer/Current Calibration Certificate Deadline is Sunday 5/22

LDH’s Immunization Program previously advised COVID vaccine providers that they must have a digital data log thermometer and provide a current and valid certificate of calibration no later than May 22. Those who do not will be removed as a COVID-19 vaccination provider. Refer to the [2022 Louisiana Vaccines for Children Program Digital Data Logger Thermometer Guide](#) for more information on storage and handling requirements, and for a list of DDL vendors.

Certificates can be emailed to the individuals listed below:

- Region 1: [Jean Marie Baudouin](#)
- Region 2: [Jennifer Carter](#)

- Region 3: [Peggy Bowers](#)
- Region 4: [Julia Ceaser](#)
- Region 5: [Peggy Bowers](#)
- Region 6: [Susan Babineaux](#)
- Region 7: [Primette Braden](#)
- Region 8: [Danielle Hudleston](#)
- Region 9: [Melanie Williams](#)

Express Scripts Violations of Louisiana Law Appear to Continue Unabated

Over the past month, LIPA has been reviewing the remittance advices sent in from a multitude of pharmacies across the state. To date, out of the 41,462 claims reviewed, LIPA has found over 30,000 violations of PBMs not paying the \$0.10 provider fee and/or not paying within 15 days as established in [RS 22:1852](#). The breakdown of the violations is split nearly evenly with 49% belonging to PBMs not paying within the designated 15 days. These violations are being brought to the Department of Insurance early next week and we will continue to review remittance advices that you send in and submit the complaints to LDI as we go.

LIPA is asking all member pharmacies to send us **every** remittance advice from ExpressScripts (with PHI redacted) that you have received in the calendar year 2022. We have already met with Louisiana Department of Insurance Commissioner Jim Donelon to get these violations on his radar screen, but we need to document and show that this is not just a “one-off” but a pervasive problem that impacts hundreds of pharmacies. ExpressScripts can be fined up to one thousand dollars for each and every violation, and if ESI knew or reasonably should have known it was in violation, they can be fined up to twenty-five thousand dollars per occurrence. The Commissioner can even suspend or revoke their certificate of authority to operate in Louisiana. Speak with us about what is needed from your remittance advice and what needs to be redacted to present to the OGB Executive Director and Commissioner.

[Example Letter](#)

Be Advised: PBMs Reimbursing Pharmacies with Mastercards

We are aware Aetna is attempting to reimburse pharmacies for prescription claims via a prepaid Mastercard; Pharmacies should be aware that these cards come with a service fee ranging from 2-4% and should not be considered a legal tender for the purpose of reimbursing the pharmacy. Aetna provided the following number to call with questions: (877) 705-4230. We suggest that all pharmacies preemptively contact Aetna to ensure that you are reimbursed via check, ACH or any other form of payment that does not charge a transaction fee. It is important that we are all looking at accurate remittance advices with full information. Our remittance advice laws require the PBM to send you the remittance advice and payment without having to request it. Please contact the LIPA office if you have any questions.

Louisiana Medicaid Members Can Get **\$200 Gift Cards for First & Second Doses of COVID Vaccine**

LDH has indicated that up to 100,000 Medicaid enrollees ages 5 and older can receive a **\$200** VISA gift card through their Medicaid MCO if they get the COVID-19 vaccine (first or second dose but not booster dose) on or after 4/5/22. This program is available to Medicaid members who are 5 years of age or older. MCO [Contract Amendment # 10](#) requires the MCOs to administer the program, for which they receive a 9% administrative fee. Medicaid enrollees can receive the COVID vaccine from any provider and do not need to take any special action to request the gift card. No action is needed by the provider other than to input the vaccine information in LINKS and submit a claim for the vaccine administration fee to the Medicaid MCO. The MCOs are

contractually required to send out the gift cards within five days of establishing eligibility (which is done through claims and LINKS files that the MCOs get from LDH).

Services Available to Pharmacies to Increase DIR Fee Transparency at Point of Sale

We have received feedback from a number of LIPA members on the value and benefit they are seeing through DIR fee consulting services arranged for with Benjamin Jolley. You can view the services offered—and book without even needing to place a phone call at [this link](#). Among the consulting services Ben offers are:

- A half-hour call in which Ben will walk you through inputting DIR fee estimation into your pharmacy software. He will discuss how you want each fee programmed and methods to ensure accurate estimation. The fee is \$200.
- A half-hour follow-up call to discuss software settings, pulling data out of e-scripts, how to use DIR estimators beyond the basics, etc. The fee is \$200 for this call as well.

Louisiana Medicaid Will Pay for COVID Vaccine Administration for Most Uninsured

Feedback from LIPA members who have submitted applications for the Louisiana Medicaid COVID Uninsured coverage group is that enrollment has been “same day.”

While the federal program that paid for vaccine administration for the uninsured no longer accepts claims, Louisiana Medicaid has a [COVID-19 program](#) that will pay for vaccine administration (as well as testing, treatment, and other services) if the primary diagnosis is COVID. The only people who are **not** eligible are those who are either undocumented, incarcerated or have other health insurance. There is no income or resource test.

People approved for this program will not receive a Medicaid ID card. Instead, the approval letter they receive is their proof of eligibility and contains the information you need for billing. Providers have the option of putting their address on the application form, and if they do so, they will receive a copy of the letter as well.

Eligibility is very easy to establish, beginning with the completion of a [simplified application](#), including the three months before the application month, and is good until the public health emergency ends. You can find all the information you will need to help patients enroll and submit claims in the [program guide](#).

LIPA Relief Pharmacist and Technician Signup Form

LIPA’s Pharmacist Toolkit, which can be found on our [website](#), includes a relief pharmacy and technician spreadsheet that we are looking to populate with licensed pharmacists and certified pharmacy technicians interested in acting as relief pharmacists or as-needed staff. However, the list will only be accessible to LIPA members through the ‘Member Library’ section on the website. I have attached a link to the form below so that members can forward it to any contacts that may be interested in signing up. Again, our goal is to provide LIPA members with a roster of active relief pharmacists and technicians to use whenever they need them. The form will automatically populate the list on the site as soon as it is submitted. If you have any questions or information that you think we should add to the form, please email cross@lipa.org. There is also a template email linked below for you to forward as you please.

[Email Template](#)

NADAC Price File Watch –Publication Date 5.18.22

The Louisiana Medicaid ingredient cost component of pharmacy reimbursement is based on the NADAC published price. This week’s NADAC report contains --21,720 price changes due to the incorporation of the most recent monthly survey results. 71 of the drugs are brand and 21,649 are generic drugs. Of the total changes, 10,822 drugs increased in cost and 10,898 drugs decreased in cost.

[Weekly NADAC Report](#)

[5.18.22 Generics by Price Change](#)

[5.18.22 Generics by Percent Change](#)

[5.18.22 Brands by Price Change](#)

[5.18.22 Brands by Percent Change](#)

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 concerns with Myers & Stauffer's NADAC price is that we are seeing increasing gaps between NADAC prices and the actual cost our pharmacies must pay. By 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.

Our LIPA staff will file NADAC appeals to Myers & Stauffer on your behalf. To do so, we need invoices for each drug and a spreadsheet of the drugs containing the information included on the Medicaid reimbursement form found [here](#). (*Excluding the “additional information” section*)

We have attached instructions for Pioneer and Liberty users to create a report to run weekly along with information on how to best pull and send invoices. 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 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.

Have You Joined LIPA's Chat Groups for Members?

LIPA hosts two different Chat Groups on the *GroupMe* smartphone application platform that we encourage members to join and participate in either or both. These chat groups were created to serve as a communication tool to facilitate rapid responses to your questions and for sharing with your peers. The two Chat Groups are:

- **Pharmacy Business Practices** This is the newer of the two groups and the focus is the general business of independent pharmacy.
- **LIPA COVID Vaccines/Therapeutics** The primary focus of this group is all things COVID-related including COVID vaccines, therapeutics, testing, and masks.

To join either group, simply send an e-mail to Danielle Hodge (hodge@lipa.org) with the name, pharmacy name, and cell # of the person to be added. The *GroupMe* application can be downloaded from the Application Store.