

# 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....



### LIPA Newsletter – 7-29-22

**TBD – Medicaid Reimbursement Advisory Committee Meeting**

**September 30 - Medicaid Provider Re-enrollment Deadline**

**October 12—PBM Monitoring Advisory Council Meeting**

### **PBM Contracts for Plan Year 2023 Discussion in Pharmacy Business Practices Chat Group**

This week, the LIPA office and Pharmacy Business Practices chat group has been especially busy with discussion of 2023 contracts received from PBMs—some of them with unfavorable reimbursement terms that are untenable. A number of these contracts require you to affirmatively “opt out” if you are assumed to have agreed to their terms. If you have not yet joined our Business Practices chat group --which provides a way to interact with your independent pharmacy peers in real time-- it is open to all LIPA member pharmacies. To join the 97 members currently in this group, email Danielle ([hodge@lipa.org](mailto:hodge@lipa.org)) with the participant's name, pharmacy name, and participant's mobile phone number. The *GroupMe* application can be downloaded from the App Store. Among other topics in the chat group this week were whether a pharmacy can still add the patient address to a prescription for a controlled substance, Tri-Care reimbursement for 2023, and OGB/Express Scripts restrictive policy on earliest refill date.

### **The Toll on Patients of Negative Reimbursement**

LIPA has been seeing a rapidly increasing number of real-world examples of the consequences of negative pharmacy reimbursement—especially for brand name drugs— on not only patients' access to prescription medicine but their health and well-being. It is becoming increasingly common for pharmacies to get reimbursed below ingredient cost. Here is what a member shared with us via e-mail: *Two weeks ago, a young man came into the store to get his suboxone Rx. 90 pills of the brand name cost around \$800 or so. I had to dispense the brand name because the insurance company was rejecting the generic, which would be about one fourth of the price. But in someone's wisdom they will not cover the generic! Go figure why? I got reimbursed \$40 less than my cost. I told the young man I could not continue to fill his Rx. He asked why, I have been getting them here for over a year. I replied I have been eating that negative \$40 reimbursement every month and I cannot continue to do this because you are not the only one that I have been doing this with for months. Ten to fifteen Rx's every day like this on top of low reimbursement is killing the independent drugstores. We really need some help, thanks.*

**At what point does pursuit of rebates recommended by LDH's contractor begin to adversely impact patient access and their health/well-being?** Medicaid enrollees often face barriers such as transportation and literacy in accessing pharmacy services. Independent pharmacies are invested in their patients but at some point, can no longer absorb losses month after month when filling a prescription. While it may have been well intentioned, Medicaid's requirement for brand over generic utilization in order to receive lucrative rebates (for the state and federal Medicaid Programs) is causing pharmacies to lose money on

brand prescription fills and pharmacies cannot do that anymore. **This ultimately negatively impacts patients.**

*The legislature passed SB 83 which became Act 292. We hope that within the next two weeks we will have our first meeting to explain our concerns and explore resolutions that will help preserve our patients' access to necessary prescriptions. Without some relief and correction, we are concerned that patients will not have access to outpatient prescriptions to address their health.*

#### **Council on Medicaid Pharmacy Reimbursement Members Named**

We are looking forward to the inaugural meeting of the newly created (by Senate Bill 83/Act 292) Council on Medicaid Pharmacy Reimbursement. LIPA has requested that the meeting be expedited so that we can explain our concerns and explore resolutions that will help preserve patients' access to necessary prescriptions. Without some relief and correction, we are concerned that patients will not have access to outpatient prescriptions to address their health. Reimbursement for ingredient cost and the professional dispensing fee both need to be addressed. The composition of the Committee is contained in law and actual members have now been named:

Melwyn Wendt - Louisiana Medicaid Director designee

Kim Wixson (Cottonport Corner Drug) President of Louisiana Pharmacist Association designee

Randal Johnson - President of Louisiana Independent Pharmacies Association

Ronak Patel (Albertsons) Representative of LA Alliance of Retail Pharmacies appointed by Executive Director of Louisiana Retailers Association

Mary Staples- President of National Association of Chain Drug Stores designee

Mary Julia "MJ" Terrebonne- Pharmacist appointed by Chairman of Senate Health & Welfare Committee

Stewart Gordon, MD -Physician appointed by Chairman of Senate Health & Welfare Committee

Doug Boudreaux (Boudreaux's Compounding Pharmacy) - Pharmacist appointed by Chairman of House Health & Welfare Committee

Suzanne Tinsley appointed by Chairman of House Health & Welfare Committee

Dana Antoon (Channell Pharmacy) Licensed Pharmacist # 1 appointed by Louisiana Board of Pharmacy who is not currently serving on the Board.

Nikki Hollier (Hollier's Family Pharmacy) Licensed Pharmacist # 2 appointed by Louisiana Board of Pharmacy who is not currently serving on the Board.

#### **Independent Pharmacist/LIPA Member Announces Intention to Run for State House Seat**

Louisiana pharmacist Errol Duplantis, who you all know, has recently announced his intent to run for the State House seat in House District 53 to succeed Representative Tanner Magee who is running for post on the First Circuit . Errol has always been very involved in state and LIPA policy matters, and regularly contributes information needed by legislators and public officials. Errol was raised in the district and owns Lloyd's Remedies Pharmacy. He is actively involved with Louisiana Wholesale Drug (LWD) and a supporter University of Louisiana-Monroe, where his two children attend college. He is particularly active in the ULM College of Pharmacy, where he serves on the Dean's Advisory Council, and in helping patients have access to the best insurance and pharmacy care. If you would like to support his candidacy, donations can be sent to Errol Duplantis Campaign Fund, 4211 Bayou Drive, Houma, LA 70363

#### **NCPA Says They Are Closely Monitoring the Manchin-Schumer "Deal"**

NCPA [advises](#) that the legislation introduced in the Senate that would address Medicare price negotiations and **other prescription drug reforms** is still very fluid with potential changes to current provisions. Our federal partner states are closely monitoring this "surprise deal" that is expected to be on the Senate Floor next week. There is always the possibility that provisions in the *Pharmacy Benefit Manager Transparency Act* (Senate Bill 4293) could be added! Senator Schumer has [stated](#) he wants a \$35 per month cap on what a patient has to pay for insulin. The bill [H.R. 5376](#), substantially creating the Inflation Reduction Act. Among the included provisions of this act are healthcare spending and tax cuts of greater than \$100 Billion, substantially from health insurance subsidies and prescription drug and vaccine coverage. Then the

act would offer \$320 Billion in savings which would come from repealing a drug rebate rule, an inflation cap on drugs prices, and allowing Medicare to negotiate 10-20 drug prices, particularly for seniors. will lower prescription drug prices particularly for seniors.

**LINK KFF PICTURE:**

<https://www.kff.org/wp-content/uploads/2022/07/9979-Figure-1.png?resize=800,450>

### **Medicare Open Enrollment for 2023 Takes on Added Sense of Urgency**

With pharmacies unable to accept the 2023 contract terms for Medicare Part D plans, this fall's Medicare open enrollment will be critical. Now is the time to begin thinking about how you can communicate with patients if you will not be in their current drug plan's network effective January 1. Additionally, include the names of Medicare Drug Plans in your area with whom you **are** in network. LIPA is currently exploring resources and tools that our pharmacies can use to assist their patients in selecting a plan. Enliven Health, who we have worked with in the past, is offering a webinar on reducing DIR Fees by comparing Medicare plans. The webinar will instruct participants on identifying open enrollment opportunities, using technology to provide enrollment help, and becoming proactive against DIR Fees.

Link to webinar registration:

[https://urldefense.proofpoint.com/v2/url?u=https-3A\\_attendee.gotowebinar.com\\_register\\_1273536155730106379-3Fsource-3DPardot-2BEmail-2BCampaign&d=DwMDaQ&c=euGZstcaTDllvimEN8b7jXrwwOf-v5A\\_CdpgnVfiiMM&r=-n5sBlnw8klBVhqbKDCG5g&m=TX6v6f4JZoj94yfd4izLiVt1HeUpw7kUTAQusjxA5a0&s=e0Reh5pQfSOnDkklKG\\_Rbzig4zi7Rcqe6ZBNsrQjHu6w&e=](https://urldefense.proofpoint.com/v2/url?u=https-3A_attendee.gotowebinar.com_register_1273536155730106379-3Fsource-3DPardot-2BEmail-2BCampaign&d=DwMDaQ&c=euGZstcaTDllvimEN8b7jXrwwOf-v5A_CdpgnVfiiMM&r=-n5sBlnw8klBVhqbKDCG5g&m=TX6v6f4JZoj94yfd4izLiVt1HeUpw7kUTAQusjxA5a0&s=e0Reh5pQfSOnDkklKG_Rbzig4zi7Rcqe6ZBNsrQjHu6w&e=)

### **When a Brown Truck is the Face of the Pharmacy**



With August—prime hurricane season in Louisiana—beginning Monday, we are reminded of how access to prescription drugs can be affected by hurricanes and the associated evacuations, power outages, and closures, including mail delivery. One of our members—C&C Pharmacy in Mandeville -- recently [posted](#)

this on their Facebook page: *Does a person in a brown truck or USPS vehicle act as the face of your pharmacy? If you get your medication through a mail order pharmacy, it may be wise to reconsider. Hurricane season in south Louisiana presents many issues and your health should not be one. If all your medication is delivered, you should have a local connection for the times when the power is out, or deliveries are not being made. Is the mandated mail order benefit really that beneficial?*

### **Novanax COVID Vaccine Authorized by CDC**

Novanax's two-dose vaccine series for COVID-19 was endorsed by the CDC this week. It is intended only for adults age 18 and older. The LDH press release [explains](#) that this protein-based vaccine "uses a more traditional, familiar vaccine technology". Some patients who have concerns about mRNA vaccines—*e.g.*, they make you magnetic/ due to 5G telecommunication towers, the government put a microchip in them to track you, the mRNA vaccine "rewrites" your DNA—may be more inclined to get immunized with the introduction of the Novanax vaccine series. **Pre-orders for Novanax can be placed in LINKS now using the normal ordering pages.** *This new product can be ordered in as little as 10 doses and will come refrigerated with ancillary supplies from M&D or 100 doses for direct shipment from McKesson.* Per [LDH Health Alert Network Memo #22-25](#), the manufacturer is still conducting quality tests and it will be "several weeks" before the vaccine is released to providers in the U.S.

### **"Retooled" COVID Booster Now Expected in Mid-September**

The [New York Times](#) [reported](#) yesterday on the announcement by the federal Administration that the new COVID booster formulations that are supposed to be more effective in fighting current COVID variants are expected to be available by mid-September. Previously both Pfizer and Moderna had said it would be later in the fall before they had manufactured a sufficient supply. Our key takeaways:

- The Administration will not recommend the booster for everyone under 50 at this point since we are about 6 weeks away from the reformulation being available.
- Expect to see a heavy push for boosters for **all adults**—and possibly children— beginning in mid to late September.
- The feds are aware of people's lack of patience with additional shots, as the number of recipients has been dropping with each new dose offered. While nearly half of those eligible got the first booster, fewer than 30% of eligible Americans have chosen to receive the second booster.

### **Detailed Guide for Pharmacists Prescribing Paxlovid**

This week, our federal partner NCPA released a 4-page document titled [Billing for Assessment by a Pharmacist for Paxlovid Treatment](#) which includes information for pharmacists who are interested in prescribing the COVID oral therapeutic Paxlovid. Topics addressed include clinical documentation, claims submission to the various payers, and pharmacy location considerations. NCPA is making the case to Medicare that the reimbursement should be \$75.

### **Fair Compensation for Paxlovid Prescribing**

The American Pharmacists Association launched a campaign last week urging CMS and members of Congress to act to identify a payment pathway and provide appropriate compensation to pharmacists who prescribe Paxlovid. They note that while authorizing pharmacists to prescribe Paxlovid was a huge step forward, there is no current federal policy providing coverage for the associated clinical services required for pharmacist prescribing, such as consultation to determine patient eligibility, assessing renal and hepatic function, obtaining a comprehensive list of medications (prescribed and non-prescribed), and assessing for potential drug interaction services. The document from NCPA linked above provides a good overview. APhA states that *"Absent coverage for the pharmacist's time to conduct patient eligibility and appropriateness, FDA's authorization will be for naught to reduce our nation's health inequities in accessing this lifesaving medication. These services, which take roughly 15-30 minutes per patient, are reimbursed for every other prescriber, but not for pharmacists. It is inequitable, unfair, and unreasonable to think that these services can be provided for free by pharmacists."*

### **Requests for Paxlovid?**

With the continuing new positive COVID cases, pharmacies are seeing more prescriptions for the oral antiviral Paxlovid and have three options: 1) dispense with a prescription 2) prescribe and dispense or 3) make a referral to another pharmacy.

### Enrolling as a Paxlovid Dispensing Pharmacy

If you would like to dispense Paxlovid but are not yet set up to do so, the process is easy—no forms to complete! Pharmacies who have not yet enrolled to dispense Paxlovid can still do so by e-mailing Leah Michael, OPH Director of Pharmacy Services at [leah.michael@la.gov](mailto:leah.michael@la.gov). Please include pharmacy name, address, phone number and name of individual who will be primary contact and their phone number. Depending on whether you already have an HPOP account for receiving COVID vaccines, she will let you know whether your account needs to be activated and if so, send a link for you to do so.

Leah approves orders daily and Paxlovid is shipped from Amerisource Bergen. She indicated that pharmacies can expect to receive it within a couple of days of placing an order. As a reminder, there is currently no cost for Paxlovid ingredients, and you can expect to receive the payer's normal dispensing fee (which can be quite low) with some exceptions.

### Prescribe as Well as Dispense Paxlovid State

Licensed pharmacies can now **prescribe** as well as dispense Paxlovid in certain conditions, as of July 6 when the FDA revised the [Emergency Use Authorization](#) for Paxlovid. The reason for the change—which was opposed by the AMA—was to increase access to Paxlovid, an important COVID oral anti-viral that has been proven in clinical tests to majorly reduce hospitalization and death from COVID. Pharmacists who prescribe Paxlovid are expected to establish that it is not contra-indicated by the patient's renal or hepatic function (many people now have medical records to establish this on their e-Phones in their electronic health record!) and document other drugs (prescription and non-prescription) that the patient *is taking* to check for drug-drug interactions. Here is the link to a concise [Guide to Managing Paxlovid Drug-Drug Interactions](#) from the University of Michigan that includes brand names for drugs and that you may find helpful Note that the CDC's definition of persons at increased risk for severe COVID is **very broad** and includes almost everyone.

**If you are interested in prescribing Paxlovid, please let us know.** We have developed a model Paxlovid consent form/eligibility screening form for use by pharmacist prescribers and you can view and download it [here](#). You can call or text Ruth Kennedy at 225-241.1437 or e-mail her at [kennedy@lipa.org](mailto:kennedy@lipa.org). LIPA believes that a special add-on payment is appropriate when Paxlovid is **prescribed** by the pharmacist for Medicaid enrollees, and we will be submitting a request for justification to LDH.

You can find locations nearest to you using the online [COVID Therapeutics Locator tool](#) that are reporting Paxlovid, Molnupirivir, or Evusheld in stock.

### **Medicare & Medicaid Will Reimburse Pharmacies for 8 COVID At-Home Test Kits Per Month**

August is here which means that patients can get **more** COVID test kits at no cost to them. Many patients are likely to be unaware that they are entitled to eight free at home COVID test kits **per month**. For Medicare, this is available through Medicare **Part B**, even if the person is enrolled in a Medicare Advantage Plan. A prescription is **not** necessary. If your pharmacist is providing or is interested in providing free test kits and billing Medicare Part B for them, you may find this [information on the CMS website](#) helpful. Medicare reimbursement is \$12 per test kit. From our cursory research, it looks like tests are available to purchase for half that or less. The time to stock up on COVID test kits is before one becomes infected with the virus!

### **Medicaid Re-enrollment Status of Pharmacist “Prescribers” Practicing at Independent Pharmacy**

LIPA received an updated list from Medicaid this week showing the names of **pharmacists** enrolled in Louisiana Medicaid as “prescriber only” who were enrolled as of 6/30/21 and must finalize their Medicaid provider re-enrollment via the Louisiana Medicaid Provider Enrollment online portal no later than September 30<sup>th</sup>. While the list includes the name of 1,270 pharmacists, we have identified fewer than 10 pharmacists who we recognize as being re-associated with LIPA member pharmacies and have reached out to them via either text, direct message, e-mail, or phone. We are waiting for the updated list of **pharmacies** and will reach out to any independent pharmacies on the list as soon as we get it.

### **Have You Sent Us a Claim-Specific Example of Effective Rates Yet?**

If you have not yet sent LIPA at least one claim-specific example where effective rates were used (dated after July 2019) please do so at the earliest opportunity. You can send the evidence to [legal@lipa.org](mailto:legal@lipa.org) or by

fax to (225) 308-2040, and we will file a complaint to LDI. By doing so we hope to show LDI a clear example of PBMs and PSAOs entering pharmacies into illegal contracts in Louisiana.

**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](mailto:legal@lipa.org), and we will file a complaint on your behalf to DOI. 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 all 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.

**Louisiana Medicaid Will Pay for COVID Vaccine Administration for Most Uninsured**

Patients who are uninsured may be reluctant to complete the application for the Medicaid COVID Uninsured Group because they do not realize how simple the application is. There are no questions about other household members, income, or resources; it can be completed VERY quickly. The application should **not** be a barrier to someone getting enrolled. In contrast, applications for Medicaid, SNAP and other benefits can be quite time consuming. 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.

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, will receive a copy of the letter as well so they know they can go ahead and submit a claim to Medicaid.

**Independent Pharmacist Announces Intention to Run for State House Seat**

Louisiana pharmacist Errol Duplantis, who you all know, has recently announced his intent to run for the State House seat in his district, to succeed Representative Tanner Magee. Errol has always been very involved in state policy matters, and regularly contributes information needed by legislators and public officials. Errol was raised in the district and owns Lloyd’s Remedies Pharmacy. He is actively involved with Louisiana Wholesale Drug (LWD) and the University of Louisiana-Monroe, where his two children attend college. He is particularly active in the ULM College of Pharmacy, where he serves on the Dean’s Advisory Council, and in helping patients have access to the best insurance and pharmacy care.

**United Healthcare Expansion Strategy Threatened by US Regulators**

America’s largest healthcare provider, UnitedHealth, has recently moved to acquire Change Healthcare. However, the Department of Justice has now sued United to intervene in this acquisition, asserting that this move would harm the competitive field and give too much control over the industry to United. The Justice Department released a statement making it clear that they are committed to the prevention of such mergers. Furthermore, they argued that this move would stifle innovation in the employer health insurance markets. A federal trial is set to begin on August 1.

**NADAC Price File Watch –Publication Date 7.27.22**

The Louisiana Medicaid ingredient cost component of pharmacy reimbursement is based on the NADAC published price. This week’s NADAC Price Comparison Data shows price increases on 5 drugs; 4 are brand name and 1 is generic. One of the brand drugs decreased in price, Klor-con Meq Packet decreased \$2.5854. The brand drugs increased in price changed ranging \$0.16169 – \$6.73893, while the generic drug increased by \$0.056.

The brand name rate changes were WAC Adjustments (changes in WAC published prices), but Praluent is retroactive to July 15th. Fanapt is retroactive to July 16th. Benzedrex is effective August 1st. and Klor-Con is retroactive to July 22nd. Trimethoprim, the generic drug's rate change was the result of a Help Desk Inquiry (Appeal) and is also retroactive to July 22nd.

#### [Weekly NADAC Report](#)

[7.27.22 NADAC by Price Change](#)

[7.27.22 NADAC 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 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.

**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](mailto: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](mailto:appeals@lipa.org) with your name, your pharmacy's name, and which system you use.

#### **Desktop, On-Site or Inventory— Audits are Audits**

You may recall 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](mailto:legal@lipa.org).

#### **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](mailto: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.