

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 9-2-22

September 21- Council on Medicaid Pharmacy Reimbursement Meeting

September 30 - Medicaid Provider Re-enrollment Deadline

October 12 - PBM Monitoring Advisory Council Meeting

October 15- Medicare 2023 Open Enrollment Begins

We have entered the last quarter of 2022, with multiple changes impacting the business of independent pharmacy coming in 2023: a new single PBM for Medicaid enrollees, a new PBM for OGB enrollees, changes in PBMs for many Medicare patients—whether they receive drug coverage through a Medicare Part D Plan or Medicare Advantage Plan (Part C). **Effective 1/1/23, Louisiana Medicaid prescriptions for which the prescriber has not re-enrolled will be denied.** At point of sale, pharmacists will be the first providers to feel any impact.

Office of Public Health Communication to Nursing Homes Regarding Bivalent Booster

Following its approval by the FDA, OPH sent out a memo to all nursing homes in the state on August 31st urging boosters for residents and well as staff. Salient points in the memo:

- LDH urges all licensed LTCFs in the state to provide their **residents and staff** with access to the new bivalent boosters and have a firm plan for **timely on- site vaccination services**.
- Both Pfizer and Moderna have developed bivalent boosters that provide added protection from the Omicron variant.
- The bivalent vaccine is expected to be **recommended for all adults**.
- Mix and match of vaccine type is expected to be allowed; meaning an individual may receive a bivalent booster that is different from their primary series or other boosters.
- It is expected that the number of boosters had does not matter; only the interval between their last COVID-19 vaccine in the primary series. If it has been **at least two months** since the individual has completed primary vaccination or has received the most recent booster dose with any authorized or approved monovalent COVID-19 vaccine, they are eligible to receive the bivalent booster.

OPH requested that nursing homes contact their onsite vaccine provider and ensure they plan to order the bivalent vaccines as soon as they become available to order. (*Ordering in LINKS became available*)

Thursday, September 1). And schedule the first clinic **within the first two weeks** of vaccine provider receiving their shipment.

Survey of Independent Pharmacies to Determine Willingness to Administer Monkeypox Vaccine

OPH advised this week that their Internal Monkeypox Health Equity Workgroup has recommended that they seek to start placing monkeypox vaccine in pharmacies—specifically pharmacies in areas with higher prevalence of the virus. Independent pharmacies already enrolled in LINKS as a COVID Vaccine Provider should have received the link to a brief survey that was sent out Thursday afternoon by Joshua Simmons, Adult Immunization Coordinator at OPH along with the following e-mail:

The Louisiana Department of Health has recently expanded Monkeypox vaccine access in efforts to reach at risk populations. We are reaching out to independent pharmacies as a candidate of interest. Your vaccine site will be publicly advertised as having the Jynneos vaccine available to administer. Please take a moment to complete this brief survey if you are interested.

[MonkeyPox Administration Survey](#)

If you did not see the survey—it was sent to the Primary Vaccine Contact—you can click on the above link to complete it.

LDH Webinars on Upcoming Medicaid Managed Care Changes Scheduled

Louisiana Medicaid is hosting a series of provider webinars on upcoming changes to Medicaid’s managed care program and the potential changes in health plan enrollment for Medicaid members. All providers that file claims with Louisiana Medicaid are invited to attend. Six webinars are scheduled, but providers need only attend one of the webinars. The information shared will be the same for all webinars, focusing on the addition of a sixth health plan to the managed care program and the health plan auto assignment of most current members prior to January 1, 2023.

The first two webinars were held this morning and there are three others scheduled for the following dates and times:

Wednesday, September 7, 2022 (two separate webinars)

- First webinar - 9:30 – 10:30 a.m.
- Second webinar –11:00a.m -- 12 p.m.

Thursday, September 15, 2022 (one webinar)

- Time: 3:30 – 4:30 p.m.

The zoom information is the same for all webinars.

[Zoom link](#)

Zoom Passcode: 522498

LDH Announces Intent to Award Single Medicaid PBM Contract to Magellan

On Monday, LDH 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 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 the State Supplemental Rebate/Preferred Drug List and processes the Drug Rebate functions for the Medicaid Pharmacy Program. If awarded, Magellan will serve as the single PBM for the Managed Care Program.

The Medicaid Legacy Program will remain. Will we see additional pressures coming down on physicians and pharmacies?

Magellan is also the contractor that administers the Preferred Drug List (PDL) for Louisiana Medicaid, making recommendation for brand-over-generic drugs and maximizing rebates.

Similarly, OGB is looking to contract with CVS for 2023 while currently using ESI to push down rebates, increasing premiums to build cash reserves for OGB programs. Do we see these activities as a concern? Also, in comparison with the Medicaid program, are we looking at how the contracts are being shielded and hidden? We have been trying to look at contracts with ESI, but the information is being noted as proprietary. How are state staff reviewing and monitoring these contracts? Are we going to run into the same concerns with CVS and Magellan?

On the plus side, it represents 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. Hopefully, California Medicaid Program (MediCal)— the "tip of the spear" as statewide Medicaid PBM administered by Magellan -- provided the company with experience and "lessons learned" that will make the transition to a single PBM in Louisiana go more smoothly than was the case in that state for the first couple of months of 2022. After years of reading about Ohio Medicaid working to transition to a single PBM, they will finally go live on October 1, 2022. Below is some of the guidance that was issued by Ohio Medicaid Managed Care.

- For members enrolled in a managed care plan, you should continue to submit pharmacy claims and prior authorizations following the guidance provided by the managed care organization (MCO).
- Pharmacy claims and prior authorizations for members enrolled in Medicaid FFS should continue to be submitted to the FFS Pharmacy Benefits Administrator, Change Healthcare.

To get an idea of the other resources and training for pharmacies that have been offered by their single PBM (Gainwell) in anticipation of that change, click [here](#).

Free COVID Tests Continue to Be Available Through Medicare, Medicaid & Private Insurance

You may have seen reports that the federal government will halt free COVID tests after today (September 2nd). This is the up to 16 free tests that the U.S. Postal Service distributed---600 million to date according to CBS News [reporting](#). The story makes clear that this change does not apply to free tests available through Medicare and other health insurance:

For people with private insurance or Medicare Part B coverage, plans are still required to cover up to eight tests per month through the end of the public health emergency. The current declaration is due to expire in October, though the Biden administration is expected to renew the emergency for at least another few months beyond that date.

A growing share of Americans have turned to at-home rapid tests, which the Food and Drug Administration now says needs up to three separate tests to rule out some SARS-CoV-2 infections. A feared winter surge of the virus could bring about more than a million hospitalizations and 181,000 deaths in the worst-case scenario, modelers say.

Vantage Health Employees Will Become Blue Cross Blue Shield of Louisiana Employees by 1.1.23

https://www.hannapub.com/ouachitacitizen/news/local_state_headlines/vantage-employees-transition-to-blue-cross/article_1efc6e1a-23c7-11ed-8dbb-ffadd5132777.html

In recent discussions with Blue Cross, we were advised that Blue Cross which has 100% ownership of Vantage Health is in the process of transitioning the 1300 Vantage Health employers (headquartered in Monroe) to Blue Cross of Louisiana and that will be completed by January. At this time, 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 propose the abilities of community pharmacies as healthcare providers. Possibly the work a number of you have done with Vantage can transition to a more involved Medicare relationship with Blue Cross Blue Shield

CMS Proposes Medicaid Re-enrollment Changes

With the public health emergency approaching its end, states are looking at “unwinding”: continuous Medicaid eligibility regardless of changes in an enrollee's circumstances. This week, CMS proposed several rules that would make it harder for states to terminate Medicaid eligibility and otherwise “streamline and simplify” the redetermination process. **Fierce Health Care's** [summary](#) of the changes includes “ensuring a beneficiary's returned mail doesn't automatically lead to coverage denials.” CMS is also proposing to limit renewals to once every 12 months as well as to allow applicants 30 days to respond to any requests for information. States must create a clear and consistent process for how beneficiaries can renew their coverage [which Louisiana Medicaid already has in place]. The bottom line is that with these new requirements, fewer eligible people in Louisiana and elsewhere will lose their Medicaid coverage for purely “paperwork” reasons.

Local Municipal Sales Tax Reminder

As you all know, Louisiana is one of the only states in the country that still allows local municipalities to tax the sale of prescription drugs. We want to remind you that your pharmacy's software system may be able to pull a report to show you what entities are not reimbursing your pharmacy for the tax. For most systems, this report is called “Third-Party Taxes Wrongly Paid.” You may recall that Louisiana law does not require pharmacies to pay the tax if they do not receive payment from the PBM, so this report could help ensure that you only pay those that properly reimburse you. If you have any questions or concerns, please reach out to the LIPA office at comm@lipa.org or (225) 308-2030.

Districts 5, 6 & 7—Regional Meeting Coming Up

LIPA board members Andy Soileau, Allen Cassidy, Nick LeBas, and Nikki Hollier are hosting a joint Regional Meeting for their districts, 5, 6, & 7. The Meeting is scheduled for 6:00pm on September 7th at Prejean's in Lafayette, Louisiana. We are expecting a variety of stakeholders to attend, including local pharmacy owners and elected officials, so this will be a great opportunity to network and discuss our concerns. Please RSVP with the LIPA office as soon as possible so that we can plan accordingly.

[Districts 5, 6, & 7 Invitation](#)

Express Scripts DIR/Effective Rate Pricing Escalation

We need data to show OGB, DOA, and legislators the degree to which reduced reimbursement from ESI or DIR fees/effective rate pricing which 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. This information is especially important because OGB plans to bring a proposal for its next PBM contract to its [Policy and Planning Board](#) in the near future. 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 P&P Board and the [Joint Legislative Committee on the Budget](#) (JLCB), 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 allowed its PBM to increase DIR fees from one pharmacy by 300% in its emergency contract, it stands to reason they'll 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?

Communication Resources Available to LIPA Members

We want to share with you a couple of resources that the LIPA Board has worked with staff to produce. These items include a “bag-stuffer”, which will be distributed to all LIPA members in the coming weeks, and a “What is LIPA?” for non-member pharmacies and elected officials to understand more about LIPA. We will be partnering with supporting wholesalers, particularly Louisiana Wholesale Drug and Morris & Dickson to help us with distribution of the bag-stuffers, which will come with 50 copies per easy-rip notepad. If you have any feedback that you would like to offer, or have any recommendations for future resources that we could produce, please contact the LIPA office at (225) 308-2030 or at comm@LIPA.org.

[“What is LIPA?” Flyer](#)
[“Bag-Stuffer”](#)

Status of PBM Complaints Submitted to La Department of Insurance

Over the past few months, LIPA has assisted member pharmacies in submitting thousands of complaints to the Louisiana Department Insurance, categories include prompt pay, non-conformance with required information on remittance advices, and patient steering. We want to assure you, all the complaints we receive are promptly forwarded to the Department. To date, LIPA has not received any communication that an individual complaint has been determined by them to be invalid. We understand they are still being investigated and until completed, the investigations are considered by LDI to be confidential.

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. Louisiana remittance advice laws require the PBM to send you the remittance advice and payment without having to request it.

One final question this issue raises is whether these cards will expire if they are not redeemed. The Credit CARD Act of 2009 allows at least five years to use up the balance, however, these cards are often deactivated after only 6 months of use. We will continue our review of this issue and keep you adequately informed along the way. Please contact the LIPA office if you have any questions.

Detailed Guide for Pharmacists Prescribing Paxlovid

Our federal partner NCPA has 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.

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.

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 quite 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.

NADAC Price File Watch –Publication Date 8.31.22

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 two drugs, both are brand name and increase in price ranging from \$0.29 - \$1.35.

[Weekly NADAC Report](#) [8.31.22 NADAC](#)

The rate change for both was a result of a help desk inquiry and is retroactive to August 31st, 2022. 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 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](#)

