

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 – 7-15-22

TBD – Medicaid Reimbursement Advisory Committee Meeting

September 30 - Medicaid Provider Re-enrollment Deadline

Shout Out to LIPA Members Recognized at 2022 LPA Annual Convention

During the President's Banquet on Saturday night at the LPA Conference in Biloxi, a number of our LIPA members were the recipients of awards. Our congratulations to:

- Allen Cassidy, Cassidy Pharmacy Pharmacist of the Year Award, for showing outstanding representation of pharmacy by making significant contributions through LPA civic, and national activities (in that order of importance).
- Minh Nguyen, Willow Bark Pharmacy # 1 and # 2, Bowl of Hygeia Winner, for compiling an outstanding record of community service, which apart from his specific identification as a pharmacist, reflects well on the profession.
- David Osborn, Schilling Pharmacy, Independent Pharmacist of Year, for displaying creative pharmacy management, technological advancements within the pharmacy and actively participating in new patient intervention programs.
- Robert "Butch" Ray Ray's Apothecary, Excellence in Innovation Award, for demonstrating innovative pharmacy practice resulting in improved patient care.
- Leah Snyder, Montgomery Pharmacy, William P. O'Brien Award, for demonstrating excellence in Pharmacy communications, consultation and direct involvement with all members of the health-care team and patient.

LIPA Board Meeting

Members of the LIPA Board and several guests had the opportunity to meet during the LPA conference last weekend. It was a brief meeting by our usual standards, but we were able to discuss several important issues that independent pharmacies are currently facing. We discussed issues at the federal level, including the [Rule 6\(b\) Study by the Federal Trade Commission](#) (FTC) and the status of [S.4293, the Pharmacy Benefit Manager Transparency Act of 2022](#). It would empower the FTC and state attorneys general to pursue actions for unfair and deceptive practices by PBMs. It also bans certain pricing schemes like spread pricing and prohibits arbitrary clawbacks. Recent decisions by the U.S. Supreme Court, particularly [West Virginia et al. v. Environmental Protection Agency](#), will lead to increased scrutiny by federal agencies and their interpretation of federal laws and directives. This new posture by the Court makes S.4293 an important bill because of its direct authorization of action by the FTC and attorneys general.

We also share updates on legislation that became law, new councils that were created, and the current status of several state contracts with PBMs. LIPA continues to work with LDH and the new Medicaid Director, Tara LeBlanc, on the pharmacy reimbursement rate. If any of the members in attendance need assistance with their CE credit, please contact LIPA for assistance.

PBM Monitoring Advisory Council Meeting

The [PBM Monitoring Advisory Council](#) met on Wednesday. This legislatively established council was expanded by [HB673](#) to include five additional members: the Governor and representatives of the House and Senate committees on Health & Welfare and Insurance. It also allows the meetings to be broadcast via electronic means so the public can attend remotely and make comments to the council.

During the meeting, Senator Fed Mills was elected chair of the Council and Representative Chris Turner, who owns an independent pharmacy, was elected Vice Chair. LIPA member pharmacists and others, including a representative of Ochsner, provided testimony on PBM trends including abusive and overreaching audit tactics, non-compliant Remittance Advices, steering, and contracting practices. While the vote was close (9-7), the October 12th meeting of the Council will be accessible to interested parties via video conference. We anticipate that detailed draft minutes will be posted on the Board of Pharmacy website [here](#).

HHS Issues Guidance to Retail Pharmacies on Their “Obligations”

In the wake of the *Dobbs* decision, this week [HHS issued a reminder](#) to all retail pharmacies that accept either Medicaid or Medicare payments, of requirements under federal civil rights laws, including *supplying prescribed medications; making determinations regarding the suitability of prescribed medications for a patient, and advising a patient about prescribed medications and how to take them*. If you have not read the guidance yet, we recommend that you do so. On Wednesday, our federal partner NCPA [issued a press release](#) saying that pharmacists have been “put in the crossfire” between the feds and state laws and called on states to provide clarity on how pharmacists should proceed in light of conflicting state and federal laws and regulations as “it is highly unfair for state and federal governments to threaten aggressive action against pharmacists who are just trying to serve their patients within new legal boundaries that are still taking shape.”

During the recent legislative session, Sen. Hewitt passed [Acts 2022, No. 548](#) (Senate Bill 388). This legislation created the new crime of criminal abortion by means of an abortion-inducing drug. Importantly, LIPA worked with Sen. Hewitt and the legislature to ensure pharmacists were protected. The specific language states any act by licensed pharmacist or pharmacy related to filling a prescription for a bona fide medical reason *does not* subject the pharmacist or pharmacy to the criminal consequences contained in Act No. 548. However, note that a diagnosis or diagnosis code by be written on the prescription by the prescriber indicating it is for a purpose other than to cause an abortion. LIPA is working with NCPA and other parties on this issue. We will continue to provide guidance and updates as they become available.

Florida Governor Order Regarding the “Pharmaceutical Industrial Complex”

In his [Executive Order](#) issued this week, Florida Governor Ron DeSantis refers to the “pharmaceutical industrial complex” which brings to mind President Dwight Eisenhower’s warning in his farewell address about the dangers of unwarranted power and influence from vast “military industrial complex.” We think pharmaceutical industrial complex it is an apt description of what has evolved with pharmacy middlemen and their power. DeSantis, who is clearly a candidate for the Presidency in 2024, issued the order directing that Medicaid and state employee health insurance contracts with PBMs entered into by that state, prohibit spread pricing and financial clawbacks. The Order also requires certain data reporting and that their LDH Secretary and Commissioner of Administration counterparts conduct an audit of all PBMs that have performed services for their members within the past five years. The Order makes mention of the failure for several years of the Florida legislature to take action related to PBMs due to “special interests. “

So—in addition to attention from Congress and the very real possibility of legislation that could impact PBMs being actually passed by Congress **this year** through reconciliation (a simple majority in the Senate rather than 60 votes), the PBM study by the Federal Trade Commission and legislative action in states, we now have executive action in a state focused on curbing PBM abuses. As stated in DeSantis’ Executive Order, *“PBMs operate under the veil of efficiency and cost containment, but are known to engage in deceptive practices. . .”*

Hospitalizations Are New Metric for Measuring COVID

We continue to see new positive COVID cases in Louisiana as measured by a gradual rise in hospitalizations. In fact, Louisiana is currently in the “hot zone” for new hospitalizations according to this [map published on Thursday](#) by Axios. In an [interview with The Advocate](#) earlier this week, Dr. Joe Kanter

said it appears the climb in hospitalizations is being driven primarily by patients for whom COVID is exacerbating other conditions such as heart conditions. This **differs** from early in the pandemic when many patients who tested positive were hospitalized and admitted to ICU/placed on ventilators due to the virus itself. The Omicron BA.4 and BA.5 variants that are now dominant have shown to spread easily but so far, have typically resulted in less serious illness and death.

Among the implications of continuing COVID for the business of pharmacy and our members:

- Pharmacies are seeing more prescriptions for the oral antiviral Paxlovid and have several options: 1) dispense with a prescription 2) prescribe and dispense or 3) make a referral to another pharmacy.
- Demand for COVID home test kits—which are now readily sourced—continues and Medicare, Medicaid and other payers will reimburse for up to 8 kits per month.
- We can anticipate demand for that the new COVID vaccine booster formulations that are reported to be effective against the BA.4 and BA.5 when they become available this fall.

You can read more on each of these topics below.

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. 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.

Pharmacists Can Now 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 as we are developing additional tools such as a Paxlovid Screening/Consent Form for use by pharmacist prescribers and can provide you with other tools. You can call or text Ruth Kennedy at 225-241.1437 or e-mail her at 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.

COVID Therapeutics Provider Locater Tool

You can find locations nearest to you using the online [COVID Therapeutics Locator tool](#) that are reporting Paxlovid, Molnupirivir, or Evusheld in stock. Paxlovid is actually more readily available than Molnupirivir at this point.

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

Medicare and Medicaid enrollees can get 8 free COVID at home test kits. 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. T. 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 Provider Re-enrollment Deadline is Now September 30th!

LIPA expects to get updated Medicaid provider re-enrollment lists showing pharmacies and pharmacists enrolled as a “prescriber only” provider next week and will identify any of our member pharmacies that are showing as needing to take action to complete their Medicaid provider re-enrollment. While Louisiana Medicaid has extended the deadline for provider reenrollment until September 30th—and will not begin denying claims for non-compliance until December 31, 2022, our assessment is that independent pharmacies and the “prescriber only” certified immunizers in their employ are near 100% compliance. Some applications are still awaiting Gainwell review and it is possible they may identify issues (for example, signed by person not authorized, SSN is showing all zeros that will require follow up.)

Fair Medicaid Pharmacy Reimbursement is Critically Important

LIPA is looking forward to the initial meeting of the newly created Council on Medicaid Reimbursement that was created by Act 292 ([Senate Bill 83](#)) of the recent legislative session to discuss our experience and findings in regard to NADAC as well as concerns about the 2021 La Medicaid Professional Dispensing Fee Survey. Appointees to the Council who have been named so far include Medicaid Director Tara LeBlanc, Kim Wixon (Cottonport Corner Drug) representing LPA, Nikki Hollier (Hollier’s Family Pharmacy) and Dana Antoon (Channell Drug Group) representing the Louisiana Board of Pharmacy, M.J. Terrebonne, former La Medicaid Pharmacy Director and current LIPA Team Member and Dr. Stewart Gordon, Louisiana Health Care Connections Medical Director, both representing the Chairman of Senate Health & Welfare, Doug Boudreaux (Boudreaux’s Compounding Pharmacy) representing the Chairman of House Health & Welfare and Randal Johnson, representing LIPA.

Based on feedback we get from our members, NADAC prices can be **below** your actual acquisition cost, and this should not be the case. The concept of NADAC is not necessarily a bad thing—the issue is the validity of the information being provided to the federal government by their contractor Myers & Stauffer. Myers & Stauffer is also the contractor that conducted the 2021 Professional Dispensing Fee Survey for LDH last fall and advised them of their findings that the average cost of dispensing prescription drugs has **decreased** by one cent in Louisiana since 2018. Our state has an outsized percentage of the population with Medicaid as their primary payer for healthcare and with the public health emergency continuing, enrollment is expected to continue to increase. LIPA continues to work with pharmacies to closely monitor the weekly NADAC pricing, gather data and submit requests for review (appeals) when acquisition cost is actually below the NADAC price.

Have You Sent Us 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 or by fax at (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 PSAs entering pharmacies into illegal contracts in Louisiana.

LIPA is willing and able to assist you in filing complaints with 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 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 actually is. 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, they will receive a copy of the letter as well so that they know they can go ahead and submit a claim to Medicaid.

NADAC Price File Watch –Publication Date 7.13.22

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 11 drugs, all are brand names. The drugs increased in price ranging from \$0.24973 – \$104.92446

The rate changes were WAC Adjustments (changes in WAC published prices) and Avonex is retroactive to July 11th, Abilify is retroactive to July 13th, Yupelri is retroactive to July 5th, and the other 8 drugs are retroactive to July 1st.

[Weekly NADAC Report](#)

[7.13.22 NADAC by Price Change](#)

[7.13.22 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. 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.

Pharmacies Can Help with Outreach on COVID Vaccine for Patients Under Age 3

While pharmacists cannot order/administer vaccines to children below the age of 3, LDH is requesting that pharmacies help to connect their youngest patients with COVID vaccine which was approved last month. The OPH (Office Public Health) has created a poster they are requesting you display in your pharmacy. The posters can be found [here](#) under the “Resources” section of the webpage. *You might also consider*

printing some out and using it as a “bag stuffer” for children between the ages of 6 months and 3 years of age.

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.

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.

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.

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.

