NPSC
STRONGER Rx TOGETHER

Network News

WWW.NORTHEASTPHARMACY.COM OCTOBER 2017

Fight DIR: Work with Your Legislators

By: David Benoit

SPECIAL POINTS OF INTEREST:

- Immunization Training (pg 3)
- What's Up at NPSC? (pg 3)

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ANDA
H D SMITH
APPLIED INVENTORY

We have hosted five Dinner Meetings so far, two in Connecticut and three in Massachusetts. We expect to have two more Dinner Meetings, one in Rhode Island and the last one in Maine. In addition to our normal business, the meetings are helping us to set the agenda for the Board of Directors' Strategic Planning in November. **It is pretty clear that anything PBM is high on the agenda**: transparency, DIR, audits, and pretty much anything related to their one-sided authority in contracts.

The Dinner Meetings are particularly important. It has been a very difficult year financially for independents. The pressure on margins has increased as generic prices and reimbursements fall as a result of having more transactions that yield next to nothing or even lose money. Those exclusive and preferred networks are taking their toll. Maybe they aren't an appropriate business for independents to be in. In addition, DIR fees sometimes window-dressed as performance fees are taking a big toll, often months after the fact. Generic drug deflation and reimbursement pressures will continue in 2018. Unfortunately, the acceptance of DIRs in exchange for preferred status leads to an increase in these programs and increased DIR for 2018.

Caremark is offering a Preferred network for Silverscript. The Preferred pharmacies will offer lower copayments to patients at the cost of an approximate doubling (or more on generics) of DIR fees. Several third party programs have agreed to participate. NPSC is not among them. We would advise participants in these programs to set aside at least 5% of their Silverscript reimbursements to be prepared for the Performance Network reconciliation, which will occur in June or so. Pharmacies not operating as preferred Silverscript providers will continue under the same performance metrics and reimbursements as before, but will lose some of these patients to preferred providers.

Aetna has a new network, P3 which is not expected to have a large number of patients. Individual stores would have to sign themselves up for this network, as it appears there is not a PSAO that accepted it. If you fill any claims in this network, the brand reimbursement will seem sweet. However, the DIR to follow will change that dramatically. We would suggest putting aside 10% of the reimbursements for any brand claims in P3 to offset future DIRs.

One of the ways to fight the expansion of DIRs is to work with legislators and regulators. NCPA is working diligently to have CMS step in and prohibit predictable expenses from being assessed after the transaction. In a transparent transaction, the foreseeable expenses would be included and the pharmacy payment would be exactly that, what the pharmacy is getting paid.

Continued on page 2

WELCOME

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Kure Rx

Hartford, CT

"Fight DIR" continued from pg. 1

NCPA's appeal to CMS is based on a study they commissioned that shows the government would save $3.4 Billion over ten years. The big DIRs put patients in the donut hole sooner, which increases the government's spend.

Locally, pharmacy has been successful with new clawback claim legislation in Maine and Connecticut. There is a collection of legislative reviews in this newsletter. It is important to get involved with local politicians now, so when we need their support they know us. It won't hurt to write a few fundraising checks. If you attend one of their receptions you might meet some important people, like the legislator's health care staff member. We make progress one issue at a time working with folks who know us. Writing to a politician to tell them they made a mistake by not sponsoring or supporting your bill won't help.

By the time you read this you will have missed the opportunity to join colleagues from across the country in Orlando at the NCPA Annual Convention. Orlando too far? How about Boston next year? The Convention will be here. We hope you'll be there. Besides the programming, it is the largest vendor exhibition for pharmacy of the year, bigger than the wholesaler retail conferences.

Spread the Word to Legislators: DIR Legislation Would Save Taxpayers Billions

NCPA Call to Action used with permission by Michael Rule, Associate Director, Public Affairs and Grassroots, NCPA

CALL TO ACTION: A recent study by Wakely Consulting Group (http://www.ncpa.co/pdf/wakely-report.pdf) concluded that **eliminating retroactive pharmacy DIR fees would reduce Medicare costs by $3.4 billion over the next 10 years**. Legislation, S. 413/H.R. 1038, the Improving Transparency and Accuracy in Medicare Part D Spending Act is pending in Congress that would accomplish this, producing a win-win-win for seniors, taxpayers and pharmacists.

Click here (http://www.ncpanet.org/advocacy/grassroots-resources/action-center?vvsrc=%2fcampaigns%2f49980%2frespond) **to email your legislators to urge them to cosponsor this critically important legislation (or to thank them if they already have)** which would explicitly prohibit PBMs in Medicare Part D from retroactively reducing payments to pharmacies for clean claims under prompt-pay provisions---effectively eliminating pharmacy DIR fee clawbacks by PBMs.

Your voice is needed! Use the "Take Action" link (http://www.ncpanet.org/advocacy/grassroots-resources/action-center?vvsrc=%2fcampaigns%2f49980%2frespond**) to send messages to your legislators urging them to voice support for this measure because:**

- This legislation would reduce government spending by $3.4 billion over ten years
- Pharmacy DIRs are often non-transparent and charged weeks or months after you have filled a prescription which impedes your ability to make financial decisions for your pharmacy
- The bill does not interfere with the PBMs' ability to offer incentives to pharmacies that attain performance metrics
- CMS and MedPAC have raised concerns over the effects pharmacy DIRs have on both beneficiaries and the Medicare program.

Please also provide your own examples of how much these fees cost you annually and how that has impacted your business. Thank you for your action on this critical legislation.

NPSC SPOTLIGHT VENDOR: iMedicare

The average patient saves $1150 by changing Part D plans. The patient will attribute these savings to their friendly pharmacist and continue to fill at the pharmacy for years to come. Medicare patients can increase the pharmacy revenue by approximately $20, 000 per year. iMedicare is the only Medicare platform that helps pharmacies compare plans for patients in just a few minutes, understand the impact of DIR fees, avoid closed networks, and increase reimbursements. This year, iMedicare intelligently detects the patient's current plan and subsidy, so pharmacies can easily see patients most negatively affected by plan changes for the upcoming year. For example, increased premiums, medications losing coverage, or network changes.

With iMedicare you can increase ROI during the 44 weeks outside of open enrollment:

- **With Live Integration**: Pharmacies will receive notifications in the dispensing system (Available for Rx30, Computer Rx, QS1 and McKesson Enterprise)
- **Newly eligible**: Advise patients as they become eligible for Medicare, to ensure they will choose and affordable plan and remain at the pharmacy
- **Star Ratings**: iMedicare has build a full Star Ratings platform that identifies patiens who are affection your DIR fees. These include adherence, diabetics that need statins, need ACE-I/ARB, and MTM cases.
- **Automated Phone Campaigns**: With each report pharmacies can run phone campaigns in their own voice that come directly from the pharmacy phone number
- **Nutrient Depletion**: iMedicare identifies all patients that would benefit from a supplement or vitamin based on the medications they are filling at the pharmacy, improving patient livelihood

Contact Marvin at iMedicare today at 704-4-769-0540 ext 131 or www.imedicare.com.

WHAT'S UP AT NPSC?

Our long overdue website is scheduled go live no later than 1st week in November. Look out for a letter from us confirming your email address so you can log in.

NPSC Signs An Agreement with Nature's Truth

A very exciting new company with a great aromatherapy line and full line of nutritionals. Contact Hillery Moran at 203-455-7947 or HMoran@pipingrock.com

TUESDAYS AT 10

Argosy Group offers the NPSC network FREE monthly webinars with the best in DME information! It will be the best 30 minutes you spend all day!

Next Webinar

Date: Nov. 14, 2017 Time: 11:00 EST

Topic: Prepare for Annual Insurance Deductibles

Register: www.northeastpharmacy.com

Immunization Training

Thursday, March 29, 2018
UConn, Aqua Turf, Plantsville, CT
7:00-5:00
For info visit http://ce.pharmacy.uconn.edu/immunization/
or contact joanne.nault@uconn.edu

LEGISLATIVE UPDATES

MA Legislative Update

By Dennis Lyons, R.Ph., Legislative Consultant to MIPA

Below are some of the issues that currently being worked on in the state legislature.

Pharmacists provider status (SB1240/ HB1214)

1. Recognize registered pharmacists as healthcare providers in section 1 of Chapter 111;
2. Allow pharmacists to negotiate with health plans to provide medication therapy management (MTM) services.
3. Amend the current CDTM law to eliminate the list of disease states eligible for a CDTM agreement in a retail setting to allow pharmacists and physicians to team up on any disease that the physician requests;
4. Authorize pharmacists to administer medications ordered by a prescriber. This would allow patients who receive monthly injections for diseases such as schizophrenia to choose a pharmacy for this injection rather than the doctor's office. This access has led to higher adherence rates in the states where this is allowed.
5. Address to public health issues - unwanted pregnancies and smoking - by permitting pharmacists to dispense nicotine replacement therapies and hormonal contraceptives by protocols established jointly by the Boards of Medicine and Pharmacy.

MassHealth Dispensing Fee cut

1. Reduces current MassHealth formula for pharmacy reimbursement by $ 1.00 in conflict with CMS guidelines, but does not modify drug ingredient cost.
2. A comprehensive review of pharmacy professional services and costs conducted in 2016 and implemented by the administration had previously set the professional fee at $ 10.02/ prescription.

Boston City Council – needle/sharps return, would require any pharmacy located in the city of Boston to accept for return used needles from the public and to provide an inventory of these returned items. Pharmacies that do not participate will be fined.

MAC drug pricing legislation – (HB2185/ SB583)

1. Insurers and pharmacy benefit managers to make generic drug price lists available to pharmacies;
2. Identify the sources from which a MAC price was derived;
3. Update the list every 3 business days to catch the dramatic fluctuations in generic drug prices;
4. Respond to an appeal from a pharmacy within 3 business days.

Specialty Pharmacy – Any Willing Provider (SB523)

This legislation amends the "Any Willing Provider" law to allow community pharmacies to fill prescriptions for "specialty medications" as long as they can provide the required administrative, handling, and monitoring services required by the drug. Insurers and pharmacy benefit managers have been getting around the "Any Willing Provider Law" by designating a medication a "specialty medication" even when the drug requirements are minimal (e.g., Humira). This legislation will close that loophole. This will also assist patients by allowing them to obtain all their medication from one pharmacy instead of trying to coordinate mail shipments from a specialty pharmacy located in another state.

DIR Fees (HB3582)

Establishes a new GL 93A:12, defining certain fees imposed on pharmacists or pharmacies by health insurance companies (i.e. DIR fees) or pharmacy benefit managers as unfair and deceptive trade practices.

Prescription Monitoring Program – mandatory requirement of a pharmacist to review controlled substance prescriptions even after the presumed review by a prescriber is being considered. Currently pharmacists voluntarily review PMP data prior to filling prescriptions.

CT Legislative Update

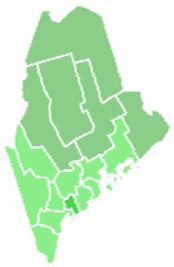
By Kevin Hill, NPSC Lobbyist, Power, Brennan & Griffin, LLC

With the state of CT operating without a budget for 100+ days, the focus for the legislature has been on bringing the two sides together for some kind of consensus on a budget to present to Gov. Malloy. Leadership has asked for the representatives to keep October 23rd open for a budget vote/session.

ME Legislative Update

By Ron Lanton, NPSC Lobbyist, True North Political Solutions

For the upcoming legislative year in Maine, we are taking a different approach than in previous sessions. First, since this is an emergency session, it remains to be seen which bills get introduced since Maine is coming off of a session that witnessed a government shutdown and as a result, several bills have been carried over into this emergency session. Needless to say, since many bills have been backlogged, few industry insiders have a clear idea on what new bills will be allowed into this session.



Knowing this, we will wait and see which bills get heard impacting pharmacy and will take action if necessary. We will be proactively monitoring any changes to Medicaid reimbursement that can be harmful to pharmacy interests.

Additionally, we are working with Rep. Picchiotti (R-Maine) on getting a biosimilar bill into the emergency session. We have chosen this issue because Maine is one of a handful of states that doesn't have legislation on this issue and have decided to propose legislation favorable to pharmacy reporting of biosimilar substitution, since legislation drafted without pharmacy involvement could potentially lead to expensive results for pharmacies. Biosimilars are a hot issue in the industry and it is only a matter of time before pharmacists in Maine are confronting this issue, especially with the FDA trying to lower drug prices and provide increased patient access, choice and outcomes.

NPSC Member and Past MIPA President Tom Cory Pharmacy Spotlight

Reprinted with permission from iMedicare, Original article https://imedicare.com/articles/pharmacy-spotlight-tom-cory/

Recently, we caught up with Tom Cory to chat about how they use iMedicare at Standard Pharmacy.

Tell us a little about yourself, Tom.
I have owned Standard Pharmacy for twelve years in lovely Fall River, Massachusetts and we recently opened up a second location nearby. I am a member of NPSC (Northeast Pharmacy Service Corporation) and a past president of MIPA (Massachusetts Independent Pharmacy Association). I co-host "Ask the Pharmacist Radio Show" every Friday from 1-2 EST. You can even listen in on the worldwide web at WSAR.com. I always say one of the greatest American traditions is the neighborhood drug store. We try and go above and beyond for these patients. After all, I want to be here for another ten years! Plan comparisons and iMedicare help us achieve that.

Why does your pharmacy do plan comparisons?
I have a high non-English speaking population, so much so I used to have to have round-the-clock translators. My patients are not computer literate and some can't read at all. Others don't have any family to help them and I certainly don't want them picking a plan that is too expensive blindly.

It is much better that a pharmacist helps them that is familiar with their drug regimen, the insurances, what medications are and are not covered, what requires a prior auth or a step therapy. That's why I prefer to help my patients rather than have them be off on their own.

And we don't just help them during Open Enrollment. When they turn 65, I sit down with them and go through their med list and help them pick the best insurance for them.

What would you say to a pharmacy that doesn't want to do plan comparisons?
At one time a lot of my fellow owners expressed resistance to doing comparisons. When Flaviu first gave his presentation at NPSC. I remember a few asked "isn't that steering?" And I gave them the same argument, I said earlier. I don't want them picking it out on their own. I always go through their top three choices on iMedicare, print them off and let them know which one would be best with their medications and then they make the decision from there.

To those that ask, "why not have their grandchildren help them?"
I say, grandchildren, as lovely as they are, may fail to take everything into account. One patient was filling 26 prescriptions a month, and her granddaughter wanted her to choose the lowest premium plan but that was actually the worst one because several of her brand medications were not covered and she did not receive additional gap coverage during the donut hole. With the plan I liked she would enter the catastrophic coverage in April, which in the long run would save her a lot of money. She ended up taking my advice and saved several thousand dollars.

Some patients want no deductible, low premium, whatever it may be. But they don't realize they need to take all those factors into account.

What are some tips and tricks you can share with fellow pharmacists?
It is essential to be a member and be active in your local pharmacy associations and buying groups. You have to go to the meetings and get the information firsthand. You can't rely solely on reading the newsletters and faxes.

It is the best source of up-to-date information and that is the key in the business currently. I go to all the NPSC meetings and my friends that don't will ask me months later about an issue and I'll tell them they should have been at the meeting when we discussed that!

I also can't place enough emphasis on talking to your patients, and being out in the neighborhood. I live five blocks from my store, go to church two blocks from here, and use the bank across from my house. We also sponsor a little league team and am chairman of the Board of Health. I help organize the Relay for Health walk. You just have to be out and be kind.

Brooke, Nick. "NPSC Member and Past MIPA President Tom Cory Pharmacy Spotlight." *iMedicare*, https://imedicare.com/articles/pharmacy-spotlight-tom-cory/. Accessed 3 October 2017.

2018 Expo & CE: *NEW* Two Day Schedule
April 24-25, 2018
Mystic Marriott, Groton, CT

Mark Your Calendars!
You are NOT going to want to MISS this!

Day One

- Training Workshops (CPR & AED Certification, DEA or OSHA workshop)
- Registration opens at 11:00AM
- "Let's Network" Vendor Gala

Day Two

- Timely & Relevant CE Programs from 8:00 AM-5:00 PM (no evening program)
- More Exhibit Hall Time
- Raffle during Exhibitor Lunch

One-on-one sessions available with Gabe Trahan of NCPA BOTH days!

ACPE Credit Offered to BOTH pharmacists and technicians!

More info to come on www.northeastpharmacy.com

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