

Opportunity Knocks: How Will You Respond?

By: David Benoit

SPECIAL POINTS OF INTEREST:

- **Diabetes Management Training Available through NCPA (pg 5)**
- **List Pharmacy on Rx Open (pg 5)**

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The beginning of the year is always tumultuous, usually because there are enrollment and operational problems with a few of the Med D plans. This year was different. The big buzz was over the slashing of MAC reimbursements by all plans from the fourth quarter of 2015 to the first of the year. All of the PSAOs and NCPA are submitting huge quantities of MAC appeals. Turnaround time might not be seven days as anticipated but it is much faster than it had been previously. In the past we had experienced very few positive responses to MAC appeals. So far this year, we would estimate that about one-third of the appeals are leading to increases in MAC.

New this year, Aetna is reimbursing generic claims at levels expected to approximate net value. Last year Med D claims adjudicated at a proxy rate, which appeared to be okay. Then, when pharmacies got paid there were substantial deductions as lump sums that were not claim specific. In 2016, the claims are being adjudicated at close to the expected final price. Pharmacies can see what is happening in each transaction. There will still be a final performance based true up of reimbursements, but the plus or minus should be relatively small.

DIR fees (direct and indirect remuneration) are fees taken out of the transaction that are used by the plan for other purposes, such as lowering premiums or copays. They can be fixed percentages of transactions, typically 1.5 to 5%.

They can also be performance based, administered after the fact. Most commonly there is a sliding scale of fees that decrease as generic dispensing rates increase. They can be as high as \$7.50 per prescription with the poorest generic dispensing rate and as low as \$0 for very high generic dispensing rates. We have a problem with these fees administered after the fact because they can be pretty accurately predicted and built into the payment schedule ahead of time.

Staying in touch with this rapidly changing and challenging economy is a lot of work. We try to help with some of it. In 2014, I served on an NCPA subcommittee, the Pharmacy Payment Committee. I will be traveling to Washington on March 17, 2016 to begin a year of service on NCPA's Technology Committee. In May, I'll travel to the NCPDP Annual Conference in Phoenix. In October, we will attend the NCPA Annual Convention in New Orleans. In between, we'll be having dinner meetings. We will attend legislative sessions and programs in the state legislatures on your behalf. We would be pleased to see you at any of these events.

In the second half of 2015 and the beginning of 2016 many independent pharmacy owners have become weary. We have had 4 or 5 pharmacy owners retire and sell. We expect several more to follow this same path. At the same time, we have a long list of new stores that will be opening. We have contact with several



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interested buyers who plan to keep the store independent. As reimbursement funds shift from product to performance and patient care services, there is opportunity. Adopting synchronization across all chronic medication regimens, as much as possible, represents an opportunity to increase care quality and dramatically reduce the cost of production. Immunizations present new income streams. There is opportunity to produce more revenue in your front store: non-Medicare DME for cash, a health care and wellness destination, etc.

The EXPO will include CEs presented by EQUiPP and Outcomes. Gabe Trahan, front store guru from NCPA, will provide two hours of ideas for your front store. NCPA will be there to give us a snapshot of legislative and political activities across the states and the nation. We have invited two federal agencies whose CEs would be approved for law credits. This is pretty good stuff. Our vendors can help you with multiple opportunities. None of this is as energizing and informative as what you can learn by networking with the other independent pharmacy people attending the program. Come to Mystic for our “Let’s Network” Kickoff Reception Dinner on Tuesday April 26 where you can network with store owners, vendors, and NPSC staff. Stay overnight. Join us in the morning on April 27 for breakfast and a busy day of CEs, exhibits, great food, raffle prizes, commiseration, and comradery. You’ll be glad you did.



Cure-Aid Pharmacy, Lawrence, MA

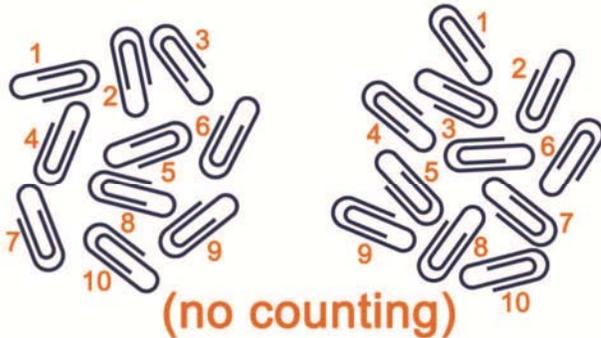
Green Line Apothecary, Wakefield, RI

Maxim Pharmacy II, South Boston, MA

WANTED:

NPSC is looking for new and exciting front store vendors to exhibit at the 2016 Expo & CE in April. This year we are offering both full-sized booths and market tables. If you know a vendor you would like to see at the Expo this year, please contact Valerie at 508-875-1866 ext 21.

Which set has more?



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CMS bans Cigna from new Medicare plans

Effective 1/21/2016, CMS has suspended the enrollment and marketing to new customers of Cigna Medicare Advantage and prescription drug contracts. CMS imposed the sanctions because of "deficiencies" in Cigna's operations of its Parts C and D appeals and grievances, Part D formulary and benefit administration, and compliance program, Cigna said. The insurer, which is being acquired by the Blue Cross-Blue Shield carrier Anthem, has a "longstanding history" of not complying with CMS requirements, according to a letter the agency recently sent to Cigna. "The nature of Cigna's noncompliance provides sufficient basis for CMS to find the presence of a serious threat to enrollees' health and safety, supporting the immediate suspension of Cigna's enrollment and marketing activities," the letter stated. Cigna said it is working to resolve the problems "as quickly as possible and is cooperating fully" with CMS. The suspension does not affect current Cigna Medicare Advantage and Medicare Part D enrollees' benefits or plans, Cigna said.



Track and Trace

from NCPA Advocacy Center Update - Week Ending February 20, 2016

“In October, the FDA announced that it would exercise its discretion not to enforce the product tracing requirements of the DSCSA until March 1, 2016. The DSCSA originally required dispensers to collect transaction information starting on July 1, 2015, but FDA has twice delayed this requirement for dispensers. Though FDA has previously delayed the requirements due to concerns over readiness, there has been no indication that it will push the date back beyond March 1. The enforcement discretion did not apply to other requirements in the DSCSA that took effect on January 1, such as trading partners having systems in place to verify suspect and illegitimate products, and that trading partners engage in transactions only with authorized trading partners.”

From eNews Weekly, Jan. 12,2016 *used with permission*

Are the PBMs Playing by the Rules? Tell Us If You Are Having Part D MAC Update Problems.

Medicare Part D drug pricing based on maximum allowable cost (MAC) is now subject to new regulations governing the disclosure and updating of prescription drug pricing standards. Sponsors must establish regular updates (at least every seven days) and indicate the source used by the Part D sponsor for making such updates. When updating prices, Part D sponsors also must disclose the drug prices in advance of their use for reimbursement, and MAC prices must be disclosed to network pharmacies in a manner and format that is useable by the pharmacies to enable pharmacies to validate the prices. NCPA fought hard to have this regulation included in Part D for 2016. Congress and the Centers for Medicare & Medicaid Services want to know if the PBMs are following the letter and spirit of this new policy rule. If you are having problems, please use [NCPA's template](#) to report them to us by emailing michael.rule@ncpanet.org. Please **DO NOT** provide any patient-specific data or personally-identifiable information (name, address, birth date, phone number, insurance ID number, Rx number), from any information you share



On January 4, NCPA sent a letter to Amanda Johnson, Director of Division of Payment Reconciliation Centers for Medicare and Medicaid Services urging CMS to finalized the Proposed Guidance that “would ensure that all Medicare Part D plan sponsors are accounting for pharmacy price concession in the same manner and eliminate possible sponsor manipulation of pharmacy network pricing” (Pilch). Of particular interest is a revised definition of “negotiated price” which has not been finalized in the Proposed Guidance.

NCPA is working tirelessly for you to promote transparency in drug dispensing and create a climate of “uniform reporting” (Pilch). To view the full letter visit www.northeastpharmacy.com and select Third Party.

From NCPA:

Develop a Profitable Niche for Your Pharmacy in Diabetes Education—NCPA Can Help You Get Started

Establishing an accredited diabetes education program can be a rewarding venture, both financially and professionally. NCPA's Diabetes Accreditation Standards—Practical Applications (DASPA) program offers community pharmacists training to expand their role into diabetes self-management education/training (DSME/T), which is eligible for payment by the Centers for Medicare & Medicaid Services. During the day-and-a-half-long program **March 31 - April 1 in Kansas City, Mo.**, you will discover how to build your DSME/T team, complete an 855B form, manage cases, and bill patients, as well as how to complete an AADE Accreditation Application, among other topics. NCPA members receive a special registration rate—register now at www.ncpanet.org/daspa.

Rx Open –MAKE SURE YOUR PHARMACY IS LISTED!

Rx Open, formerly called the Pharmacy Status Reporting Tool, helps patients get access to medicine in an emergency by mapping the location of open and closed pharmacies in a disaster stricken area on the www.RxOpen.org and www.HealthcareReady.org websites. It also shows open American Red Cross shelters.

In developing *Rx Open*, Healthcare Ready partnered with the National Council for Prescription Drug Programs (NCPDP), as well as the pharmacy switches/clearinghouses responsible for processing pharmacy payments – eRx Network (an Emdeon company) and RelayHealth. These partnerships form the basis of *Rx Open*.



During a disaster situation, once a request is made to begin pharmacy status reporting, Healthcare Ready asks the pharmacy switches/clearinghouses to begin providing a daily list of all pharmacies that have billed for a prescription within the past 12 hours. The data is then merged with NCPDP's list of all pharmacies in the US, and filtered to display the status of pharmacies in the zip codes listed within disaster declarations. Once the data is processed, Healthcare Ready displays both a graphical, searchable Google map and downloadable Excel file of all open pharmacies (green icons), pharmacies whose status is unknown (yellow icons), non-participating pharmacies (white icons), and any known closed pharmacies (red icons).

Participation in Rx Open is free, to enroll your pharmacy email ContactUs@HealthcareReady.org

To see if your pharmacy is listed, go to: <http://www.rxopen.org/>

Helpful Hints to Decrease Your Stress

By Pat Monaco

Owning and operating an independent pharmacy today can be a very stressful job. You not only have business management to do, but many of you also have patient interactions and script filling. Then, of course there are employees. If you are feeling overwhelmed or that popular phrase “burnt out”, here are some things to think about doing for both you and your business based on the article “5 Strategies to Survive the Stress of Pharmacy Ownership” in *Elements* magazine.

Hire people you can trust and delegate

If you want to be a business owner and have a life, take the time you need to hire the right people for the job.

By making the right “people” choices and then providing the training to them so that your business runs the way you want, you can do other things than just worrying about what’s happening when you are not at your pharmacy.

Change the environment

It is like all things that you are deeply involved with, or stuck as to what to do next. Take some time to step away and get out of the pharmacy for a while. It can change your mood, give you time to clear your mind and in essence – re-set your brain. You will feel re-energized and ready to take on the next challenge.

Business goals need to make sense

You don’t run your pharmacy alone. You

have staff that are part of the equation and need to be on board with what you want to achieve. If you set goals that sound too out of reach for your staff, they may give up before they even try. Be realistic! Create an incentive plan that makes your staff as excited about reaching your goals as you are! Who said you can’t have fun at work!



Fight the same old thing

If you normally open and close the store and have the same routine daily, try changing up a few things. Boredom runs hand in hand with feeling tired and miserable. Try doing something new in the store. Bring in a

new vendor or provide a new service to your customers. Trying new and interesting things will help you look at your business and your place differently which can charge your batteries!

People issues must be dealt with

Managing staff and their conflicts with each other can be the most difficult job and it is exhausting! So, if you have hired the right people and they are empowered to do their job without micromanagement and you set the tone for collaboration, cooperation and positive outcomes, there will be fewer conflicts to deal with. For the few that will occur, deal with them right away, and let those involved help to come up

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with positive solutions; dealing with problems as soon as they arise, save you from bigger problems later on.

The article from *Elements* magazine can be viewed at: <https://www.pbahealth.com/5-strategies-to-survive-the-stress-of-pharmacy-ownership/>

Unknown Author. “5 Strategies to Survive the Stress of Pharmacy Ownership.” *Elements. Elements Mag.*, 11 Jan. 2016. Web. 11 Feb 2016.

Upcoming Immunization Training Programs

Thursday, April 7, 2016

Aqua Turf
Plainsville, CT
7:15-4:15

<http://pharmacy.uconn.edu/academics/ce/immunization/>



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PMPs Finally Make Some Sense

By David Benoit

The New England states with the exception of New Hampshire will soon operate their Prescription Drug Monitoring Programs on a common platform. This program, AWA_Rx_E from Appriss is now operating in as many as 33 states, which means your software vendor should be familiar with them. This new platform is expected to have numerous advantages over the existing local PMPs. For instance, on the Appriss website you can read that they process submitted data instantly, data correction is timely and intuitive, and the end user can see data from their multistate base. Appriss has been very involved in the NABP InterConnect project.

The RI PDMP will be converting from the present Optimum technologies system to AWA_Rx_E a new and improved system. All the old data from RI PMP will be converted to the new system. Rhode Island pharmacists will receive instructions on how to register and do the data uploads, as well as instructions on how to use AWA_Rx_E to look up patients. The first letter should be arriving before March 10, 2016. The target date for data upload to the new system is March 22, 2016. If you have questions or need help getting registered please e-mail Scott Campbell, www.scott.campbell@health.ri.gov and he will forward your e-mail to the appropriate individual.

The Massachusetts PMP will be transitioning soon also. We have heard that

pharmacies will continue to send their data to Atlantic associates until the end of May. The pharmacies will be able to register with AWA_Rx_E any time after March 1, 2016. The new program is not expected to go “live” until several weeks later into the summer, according to what we have read. This ties together with the Governor’s priorities. The Dispenser Guide on the Department of Public Health website can answer most of your questions. www.mass.gov/dph/dcp/onlinepmp

Connecticut is working on daily PMP reporting. There is presently a bill SB 194 AN ACT CONCERNING ELECTRONIC PRESCRIPTION DRUG MONITORING PROGRAM REPORTING, in the General Law Committee. It still needs to make it through the process, but you can see how this coordinates with neighboring states and nationwide.

Maine has required next business day reporting since mid-2015. From the way the website reads, referring to instantaneous access to the data, I deduce that they are likely to be operating on the AWA_Rx_E platform presently.

Vermont has already committed to the new platform. New Hampshire is reported to be seeking legislative approval for the project. You can learn more about AWA_Rx_E on the company’s website, www.appriss.com. You can learn more about NABP InterConnect by going to www.nabp.net and clicking on the “Programs” tab. You can see the list of states.



You are Invited!

Protein Sciences of Meriden, CT, the manufacturer of FluBlok, will be hosting a tour and Q & A session for pharmacists on March 2nd from 8:30 to 10. This will be a great time to brain storm expanded use of the Fastvax bus and getting more pharmacists involved. Pre-book FluBlok for the 2016/2017 season. Call NPSC at 800-532-3742 to RSVP.



MACs Med D

By Dave Benoit

Beginning January 1, 2016 we all expected the Med D plans to review MAC appeals within seven days and make appropriate adjustments. Before going on to describe what appears to be happening in practice, a remark needs to be made. It seems that a number of PBMs gutted their MAC to begin the New Year. It may have been time with the change in the plan year to do so, but the magnitude of the changes was in many cases alarming. As a case in point, MAC adjustments made in December were not preserved. Now, we can move on.

We have submitted numerous MAC appeals since January 1 to OptumRx, Caremark, and Aetna. We notice that turnaround times are much

improved over past practices and approach our expectation of seven days. The seven day expectation is shared by the PBMs if my conversations with them are to be believed. In the past, it was rare for us to get a response indicating an adjustment based on an appeal. Since January 1, our experience is that approximately 30% of our submitted appeals are being given increases. This experience includes MAC appeals submitted to Aetna. Curiously, though, Aetna Med D generics are paid at AWP minus, not at MAC. We need to keep that in mind when appeals are rejected.

The new rules also require the PBMs to make MAC prices available to you and we have seen notices of compliance with this requirement.

New York Requires E-Rx

By Dave Benoit

You may recall that last year New York state postponed the requirement that all prescription drugs be electronically prescribed. The new implementation date is March 27, 2016 (Easter Sunday). The requirement affects prescriptions in all schedules, non-controls and controlled substances. Fax prescriptions are still valid, as currently allowed by law. According to the New York state FAQs on this subject, out of state pharmacies must follow their own state's prescribing requirements. If you would like more information go to www.health.ny.gov/

[professionals/narcotic](#). There is more info if you click on "what's new".

In New York, EPCS (e-Rxing for Controlled Substances) could only be done by less than 2% of prescribers one year ago. Now, EPCS can be accomplished by 27% of prescribers. That's five times the national average of 5.8%. Of New York pharmacies, 93% are enabled for EPCS. Even though implementation may be delayed again, it appears that this law has been very effective in driving adoption of e-prescribing and EPCS.

CT DSS MEDICAID AUDITS UPDATE

By Karen Hekeler

Several pharmacies have been audited since last years audit bill was passed and several more audits have been scheduled. The results of the audits vary from a couple stores having ZERO financial recoveries to one store with a \$44,000 recovery. As a reminder, please call me if you receive notice of an upcoming audit so I can advise you on how best to prepare. We also want to keep State Representative Cathy Abercrombie updated on how these audits are going so it is important we know what is happening with these audits. The pharmacies that have had very good audits all say the same thing - Prepare, Prepare and Prepare some more! I can be reached at 203 671 3847.



If you want to continue to be in the business of pharmacy You must change the way you do things...

By Pat Monaco

...and NPSC is here to help you move into this bold new future, but you must be willing to do what it takes to change! The same old is no longer good enough!

Our field consultants Karen and Pam have been talking and quite honestly begging you to do your MTM cases and most importantly the CMR cases. Why? CMS had two major announcements at the end of 2015.

1. First, CMS expanded the Part D MTM programs because they felt more patients could get a benefit from it.
2. Second, since CMS would like more patients to benefit from CMR's, starting Jan 1, 2016 they added CMR completion rates as a quality measure for Part D plan star ratings. This means 2016 completion rates are based on 2014 data. Completion rates for 2017 will be based on 2015 data.

How did your pharmacy do on completing CMR cases sent to you in 2015? Why should you care? Star ratings are like a report card; if a plan has less than 3 stars it is like an "F" and the plan gets penalized. Three years in a row of less than 3 stars and CMS tells them YOU ARE GONE – NO MORE PLAN.

Part D plans now have more motivation than ever to be sure MTM's and CMR's are done. If your pharmacy contributes to a plan achieving a 4 or 5 star rating, you have more value to them. If you don't contribute, you have **no value** to them. How long do you think a plan will allow you to continue to be able to participate if you deliver no value? Your big box competitors are supposedly putting out a big push on completing CMR's. You know you can do it better so what are you waiting for?



A number of these topics will be discussed at our upcoming Expo CE program on Wednesday April 27th. The Expo is a full day of custom designed CE's for YOU the independent pharmacy owner, your techs and others with important positions within your pharmacy. REINVEST in your business and REJUVINATE yourself and your staff. Come and network with your colleagues! Stop complaining about the same old thing and come learn something new and move your pharmacy into the fast lane toward the future! If you are a NEW OWNER, **you** should definitely be there. The Expo is a big benefit of being a part of NPSC. The program is FREE TO ATTEND for you and your staff! Take the day and do it. You will not regret it; I promise you!

Hoey, B. Douglas. New Medicare Standard—Does Your Pharmacy Stack Up?" NCPA Executive Update. Executive Update., 6 Nov. 2015. Web. 24 Feb. 2016.

Medicaid MACs

By Dave Benoit

As you may be aware, organized pharmacy has been successfully opposing CMS implementation of new generic reimbursements for at least five years now. The AMP (average manufacturers' price) rule has been finalized and states must now move forward with implementation. By April 1, 2017 the state Medicaid programs must have implemented the new reimbursement model for generic drugs. States are required to pay based on AAC (Actual Acquisition Cost), which could be based on state surveys, a national survey such as NADAC, or wholesaler acquisition cost.

The steep reduction in product reimbursement is paired with the requirement that the states implement a dispensing fee that reflects the actual costs of dispensing prescription to Medicaid patients. These conversations about appropriate dispensing fees have been taking place with the local Medicaid programs for several years now. This is not a surprise. We will all need to work on this in the months ahead.



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Click on the Tuesday at 10 Tab

Click on Tuesday at 10 Link



Rx PATTERN ANALYSIS TRACKING ROBBERIES & OTHER LOSSES

TIPS:

- ✦ Greet people as they enter the store. Let people know you are paying attention.
- ✦ Comply with suspect demands, even if you doubt they are serious or armed. You cannot assume.
- ✦ In event of a robbery, the goal is to end the incident as soon as possible.

Remember - REACT: Remain calm, be a good Eyewitness, Activate alarm, Call police, and Take charge once robbery ends.

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