

Friday, June 19, 2020

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....



In this week's issue:

- CARES Act Provider Summary
- LIPA Survey
- Board of Pharmacy Special Meeting
- Possible Covid-19 Treatment
- CLIA Waivers
- CBD Product Availability
- Changes in Medicaid Oversight Members,

This week we were reminded that we are still in the middle of a pandemic. The previous decline in new COVID cases in Louisiana has stalled and cases have begun to climb again, with 4200 new cases reported in the last week—most from community spread. On Wednesday alone, after one lab's reporting backlog from April was backed out, the number of new cases increased by 799.

Yesterday, LDH did not release new numbers at noon and posted a statement on their website that they were “reviewing the numbers”, which naturally raised questions. At his afternoon press briefing, the Governor said the Department is making sure that people who live out of state are not included in the count and that no one is being double counted. Dr. Billioux stated that the three geographic regions of greatest concern are Acadiana, Southwest Louisiana, and Central Louisiana. Today's **Advocate** published ten graphics—one at the statewide level and one for each geographic region that illustrates what is happening with COVID **10 graphics that show 'alarming' rises in coronavirus in parts of Louisiana**

Ironically, states to our east (Florida) and west (Texas) who had fewer cases than Louisiana when COVID-19 was at its peak here and put restrictions on travelers from Louisiana have had their biggest numbers of new COVID-19 cases ever this week. On the unemployment claims front, while the state continues to “reopen,” new weekly unemployment claims in Louisiana were their highest in three weeks. According the **Advocate** the 23,122 first-time claims filed is about ten times the number filed the same week last year.

First results from our CARES Act Provider Payment Survey As of Thursday afternoon, we have received 35 responses to the online CARES Act Provider Payment Survey we e-mail to LIPA members Wednesday. The purpose of this survey is to learn how our LIPA members are affected by the eligibility requirements for the recently announced targeted CARES Act Medicaid Provider payments. The **good news** is that about half of members who responded reported that they did not receive any payment in April (made to those providers who billed Medicare Part B) so they are **eligible** for a Medicaid provider payment! *The deadline to apply for these payments is July 20.*

HHS has announced two provider webinars **next week** about the application process-- both at 1 PM Central Time-- on Tuesday June 23 and Thursday June 25. More information and a link to register can be found [here](#). LIPA staff has registered and is confirmed to participate and we will report anything new that we learn from the webinar in next week's newsletter. Note that if you sign up for the webinar you can type in any questions you have. *(We asked whether the 2% will be calculated on all patient revenue or Medicaid patient revenue only, as that seems pretty important!)*



Dates to Know

- June 25th—Louisiana Board of Pharmacy meeting
- July 1st—Start of the state fiscal year
- July 25th—LPA virtual conference
- October Session (Date TBD)—U.S. Supreme Court to hear *Rutledge vs PCMA*
- October 17th-20th—NCPA 2020 Annual Convention

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Now the **bad news**: The other half of members who responded to the survey confirmed what we were afraid of: By received a Medicare payment that is 2% of their Medicare Part B billing-- **far below what 2% of their gross income from prescription drug patient care would be**—they are **not** eligible for a CARES Medicaid Provider payment. Of the members who received a Medicare payment, 53% report that the payment was less than \$500 and their non-prescription patient care revenue is a small fraction of prescription revenue.

In response to questions submitted with survey responses about the CARES Act Medicaid Provider Payments:

- **Any** provider who billed and received payment from a Medicaid or a Medicaid MCO is eligible, including pharmacies
- The payment is not a loan and does not need to be repaid—essentially a non-taxable grant—if it is used in accordance with the **Terms and Conditions** which can be found [here](#)
- The amount of the payment will be at least 2% of gross revenue from patient care for the tax year you elect to use (2017, 2018, or 2019)

Our federal partner NCPA has provided a [video](#) by a CPA discussing the most important Terms and Conditions, record keeping, reporting, requirements and best practices such as establishing a separate bank account for distributions from the CARES Act Provider Relief Fund. His primary focus is on the General Distribution payments some pharmacists have already received but the information is equally applicable to the Medicaid Provider payments.

Kaiser posted a story on their website on Wednesday [Options to Support Medicaid Providers in Response to COVID-19](#) that confirms our interpretation of the eligibility requirements: *Medicaid providers who received any amount of funding, no matter how small, from the April distribution to providers who participate in Medicare fee-for-service cannot receive additional funds from the new Medicaid provider allocation. This could disadvantage providers highly reliant upon Medicaid . . .* The authors hold out some hope that additional federal funds could be made available: *“HHS’s website refers to “future provider relief funding”, and HHS has stated that it is working on an additional allocation for dentists. It is unclear whether there will be further, separate allocations for other provider groups.”* Since these are federally allocated and distributed dollars, we will need to mobilize to work with our Congressional delegation to bring awareness to this.

If you have not yet responded to the survey, please do so no later than Wednesday June 24th. It is short and will only take a few minutes. [LIPA Survey - CARES Act General Distribution](#)

Board of Pharmacy will hold special meeting next Thursday, June 25th A special meeting of the Board of Pharmacy has been called for next Thursday, June 25th at 1 PM. The meeting will be held via video conference and the agenda and instructions for virtually attending the meeting via Zoom can be found [here](#). Among the items to be considered is request for approval of an immunization training certificate program for pharmacists. The public meeting binder will be posted on the Board’s [website](#) 24 hours prior to the beginning of the meeting.

Additionally, for LABP District 1, the legislature has declared a vacancy in the member position previously held by Sajal Roy; his term ended on June 1, 2020. The Board is planning another special nomination election for the remainder of that term which will expire on June 30, 2025. The July issue of the Board of Pharmacy’s newsletter will contain an article reporting the vacancy and describing the procedures and timeline for that special election. The Board will conduct the election during the month of August and send the election results to the Governor’s office in early September. They hope to have that member in time for their November board meeting. You may recall that this seat was held by LIPA member Diane Milano who did receive the most votes of nomination by her fellow pharmacists in the most recent Board election. District 1 includes Jefferson and St. Tammany Parishes.

First drug that actually appears to reduce COVID deaths [Big news](#) out of Great Britain announced on Tuesday was that the relatively “cheap” and widely available steroid dexamethasone (sold under brand names including Maxidex, Decadron, and DexPak,) has been shown in trials to be a life-saving treatment for COVID and actually **reduce** deaths among the sickest patients. From a cost effectiveness standpoint, bear in mind that Gilead is expected to set the price for remdesivir in the “thousands” for a course of treatment. For comparison purposes our Medispan reference source on Tuesday showed the price for dexamethasone at up to \$1 per dosage unit, depending on the NDC.



Still no antibody (serology) tests authorized under CLIA Certificate of Waiver All of the information and news we were seeing a couple of months ago about the imminent availability of and high demand for reliable and “simple” testing for COVID-19 antibodies (and therefore immunity) now seems almost surreal. As of Thursday, June 19, not a single COVID-19 serology test has been authorized by the FDA to be performed by providers operating under a CLIA Certificate of Waiver. The widely-held assumption was that antibody tests would be the key to people returning to work and school but with the reliability issues that emerged, that did not materialize. The number of COVID-19 **molecular diagnostic** tests that pharmacists are authorized to order and perform under federal and state declarations during the public health emergency has increased to five. The latest addition on June 10th is [Cue Health](#)’s nasal swab test.

Duration of the federal public health and Medicaid enrollment Our research this week revealed no end date in sight—or being publicly discussed—for the federally declared COVID public health emergency that was declared on January 31st. The “lifting” of the emergency will majorly impact the health care industry because of the many federal policies (such as Medicare’s restrictions on telehealth and even Civil Rights requirements) that have been temporarily waived for the duration of the emergency. In addition, the state is receiving considerably more federal dollars (a 6.2% increase) for its Medicaid Program through the last day of the calendar quarter that the emergency is lifted. This enhanced FMAP is conditioned on states not removing anyone from their Medicaid program unless they die, move out of state, or ask to be removed so we can expect to see Medicaid enrollment grow.

The Power of CBD: During the June 10, 2020 LIPA meeting, the Board of Directors received a presentation on CBD from John Davis, President of Wellcana. Wellcana is a Baton Rouge biopharmaceutical company that is LSU AgCenter’s public-private partner for the production of therapeutic cannabis and CBD products. As a public institution of higher ed, LSU AgCenter’s partnership with Wellcana represents a first in the therapeutic cannabis and CBD industries.

Forbes reported that the CBD product market in the U.S. will surpass \$20 billion in sales by 2024. Polling shows that 92% of respondents are interested in learning about the use of CBD products to treat medical conditions, and 82% of consumers would buy CBD products from pharmacies and would trust this source more than any other outlet.

Wellcana’s products are branded with the tag line “Biopharmaceutical Partner - LSU AgCenter” and are currently available in a Full and Broad Spectrum 1,000mg CBD sublingual tincture in 30mL bottles, and Full and Broad Spectrum 300mg CBD topical creams in 50mL jars. The topical creams include a permeability enhancer to promote absorption and are available in lavender citrus, lemongrass and unscented. Wellcana’s products let customers know exactly what they are getting in each product and all lab data is clearly displayed on their website in a format even beginners can understand and digest.

To learn more about Wellcana’s CBD products, contact your pharmaceutical distributor, visit www.Wellcana.com, or contact Wellcana directly at (225) 408-7405.

Increased legislative oversight of Medicaid House Concurrent Resolution (HCR) 6 of the recently ended Regular Session of the Legislature established a special joint committee, the Joint Medicaid Oversight Committee, to monitor, review, and make recommendations relative to all aspects of the state Medicaid program. The committee is comprised of:

- 1) Six members of the House of Representatives appointed by the Speaker: Three members each from the Appropriations and Health and Welfare Committees
- 2) Six members of the Senate appointed by the President: Three members each from the Finance and Health and Welfare Committees

Staff support for the new committee is providing by the above House and Senate committees along with Legislative Fiscal Office and Legislative Auditor.

The requirements of the Act charge the committee to:

- 1) Review how the Medicaid program relates to the public and private provision of healthcare coverage in this state and the U.S.
- 2) Recommend policies and strategies to encourage both of the following:
 - A) Medicaid recipients being physically and mentally able to join and stay in the workforce and ultimately becoming self-sufficient.
 - B) Healthy living, resulting in less use of the Medicaid program.



- 3) Review the compliance of the La. Dept. of Health with all applicable laws and regulations.
- 4) Recommend, to the extent the joint committee deems appropriate, improvements in laws, rules, and regulations concerning the Medicaid program.
- 5) Develop a plan of action for the future of the Medicaid program.

The twelve members appointed to the Joint Medicaid Oversight Committee met Thursday and elected leaders who will serve two year terms. The members are:

- Representative Rick Edmonds - Chairman
- Senator J. Cameron Henry, Jr. - Vice Chair
- Representative Tony Bacala
- Senator Regina Ashford Barrow
- Senator Heather Miley Cloud
- Senator Jimmy Harris
- Senator Bob Hensgens
- Senator Patrick McMath
- Representative Dustin Miller
- Representative Patricia "Pat" Moore
- Representative Thomas A. Pressly
- Representative William "Bill" Wheat, Jr.

Celebrating a major milestone in 2021 With the 20th anniversary of the creation of LIPA approaching in less than a year, we have been thinking about the history of our organization and memorializing it. What did the pharmacists who founded LIPA in 2001 hope to accomplish? What do they consider to be LIPA's greatest strengths and biggest achievements? What emerging opportunities for community pharmacy are they most excited about? What advice would they give 2020 pharmacy graduates who want to own and operate a community pharmacy in Louisiana? Look for interviews with LIPA's founders in upcoming newsletters, as well as with members of the LIPA Board.



How Much is Too Much?? Debates About Conroavirus Vaccine Pricing

Axios

We are increasingly seeing news stories about the highly anticipated COVID-19 vaccine along with questions about pricing and who will be given priority for the initially limited supply. Pfizer is among the pharmaceutical manufacturers racing to develop a vaccine. As an aside, Pfizer's currently best selling drug is the pneumonia vaccine Prevnar 13 and the price for it has increased 79% since 2010. This week, Pfizer's CEO Albert Bourla said that it would be "unethical"—should they be among the first to develop a vaccine—to use "free market principles" and demand huge prices for all the vaccine they can manufacture. Axios observed that Pfizer's definition of "a fair price" could differ greatly from that of consumer advocates and points to the amount they charge for Prevnar. The health reporter Bob Herman notes that "reading between the lines," the pandemic has taken some of the heat off pharma's pricing tactics and they are looking to rehab their reputation.

READ MORE: [Pfizer says it won't put "huge price" on coronavirus vaccine](#)

Large Numbers of People Still Seeking Unemployment Benefits in Louisiana

Associated Press News

An AP story yesterday reported that new unemployment claims in Louisiana continue to be well above normal levels. Even as Louisiana's economy continues to recover and people return to work, 21,879 new claims were filed last week and 305,000 people who filed in previous weeks continued their claims. The number of continued claims maxed out at 320,000 and has begun to decrease as businesses reopen. For comparison purposes, this time last year, the number of continued claims was below 16,000 so the state has a long way to go to fully recover. The unemployment picture is somewhat like "mixing apples and oranges" as some of these job interruptions are in the oil and gas industry and totally unrelated to the pandemic.

READ MORE: [Unemployment claims still high as Louisiana reopens](#)

PCMA's CEO Says They Have Never Been More Essential to Medicaid

Medium

Below a disclaimer on the website stating "Anyone can publish on Medium per our [Policies](#), but we don't fact-check every story," the CEO of PCMA J.C. Scott claimed this week that PBMs will save state Medicaid Programs \$46 billion over the next ten years. We read with interest his declaration that during March the number of mail order prescriptions delivered to people's homes increased by "13% overall." In the piece, Scott makes the case for continuation of policy relaxations for mail-order after the public health emergency is lifted: *Given the savings and accuracy that mail order pharmacy provides, states should continue to enable its use, even after the pandemic*

subsides. [Note that while Louisiana Medicaid was not among the states that encouraged mail order during the pandemic the same cannot be said for Medicare and commercial insurers]

READ MORE: [Pharmacy Benefit Managers: Providing Lower Prescription Costs for State Medicaid Programs Dealing with COVID-19](#)

Implications of Remdesivir Pricing for Medicare

KFF

In an issue brief published this week, Kaiser discusses how the Medicare Program is expected to cover Remdesivir when it becomes available for treatment of COVID. Because Medicare beneficiaries are far more likely to contract the virus and need treatment, Medicare as a payer will be disproportionately affected. Remdesivir which Gilead is marketing under the name Veklury is not a cure but has been shown to shorten the recovery time. It is not yet commercially available and while the first 1.5 million doses have been "donated" to the federal government, Gilead has not yet announced pricing. Notably, remdesivir is expected to be covered under Medicare Part A administered in hospitals rather than under Medicare Part D. The brief provides a good overview of how CMS accounts for the cost of new treatments not included in historical claims used the establish rates through a "new technology add-on payment." The primary takeaway is that patients will not face any increases in their Medicare co-pays and any adverse cost impact will be on the hospital and the Medicare Program.

READ MORE: [How Could the Price of Remdesivir Impact Medicare Spending for COVID-19 Patients?](#)

The Holy Grail" of Vaccines Could Be Made of Mosquito Spit

Reuters

Our "on a lighter note" story this week again comes from Reuters who reported on initial findings from research published this week in **The Lancet** showing that a vaccine made from Anopheles mosquito saliva was safe and that it triggered antibody and cellular responses. *The vaccine, if it pans out, would protect against all of the pathogens the insects inject into humans - malaria, dengue, chikungunya, Zika, yellow fever, West Nile, Mayaro viruses and anything else that may emerge.*

The worldwide COVID-19 pandemic has resulted in increased focus on infectious diseases and vaccine research. One of the key areas of concern are mosquito-borne pathogens. Mosquitos are "arguably the deadliest animal on earth" according to a researcher at Walter Reed Army Institute of Research in Maryland.

READ MORE: [How a vaccine made of mosquito spit could help stop the next epidemic](#)