

Friday, August 28, 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....



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Members,

This last week of August has been chaotic as we dealt with one of the most powerful hurricanes to ever hit our state, widespread closures of state government offices and businesses for much of the week, postponements (including postponement of moving to Phase 3 of the state's recovery for at least another two weeks) and extensions to important deadlines (looking at you CARES Provider Relief Fund!). The CDC announced new guidance on Monday—and then later walked it back—in regard to their COVID-19 recommendations for testing asymptomatic people. Just yesterday the government announced the purchase of 750 million of Abbott Laboratory's rapid antigen tests (5-minute results), with shipment beginning in September.

We know that many of our member pharmacies—and their patients—have been directly impacted by Hurricane Laura, with businesses including pharmacies closed due to loss of power and public water systems leading to a lack of potable water. The State reported that as of 10 AM today (Friday) a total of eighty Hurricane Laura related water system outages, impacting approximately 209,000 residents. LIPA is communicating and working with the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) and the LDH teams including the Office of Public Health. How has your pharmacy fared? If you and/or your patients are being impacted by the storm and its aftermath, **please let us know what help you need.** You are our "eyes and ears" on the ground and if we don't know there's a problem, we can't help in working with authorities in finding a solution and helping to resolve the issue.

Hurricane Laura Evacuees from Lake Charles Area The Office of Public Health's Pharmacy Director reached out to LIPA yesterday with the following: *This is just FYI that there is a potential for increased volume at [New Orleans] area pharmacies. Please let the independent pharmacies in the area know. There is in place an early refill override and a copay override in place for Medicaid MCOs.*

On Thursday morning an OPH nurse had advised they were seeing "an influx" of hurricane evacuees in the New Orleans area. More than 750 individuals were sheltering at the Hilton Riverside and the Sheraton downtown. Medication requests had started to trickle in and they were referring evacuees to commercial pharmacies as necessary.



Dates to Know

- September 10th—Occupational Licensing Review Commission Meeting
- September 13th—**NEW** Deadline to Apply for CARES Act Provider Relief Fund Payment
- October 6th—U.S. Supreme Court to hear Rutledge vs PCMA
- October 14th—Board of Pharmacy: PBM monitoring advisory council
- October 18th/19th—Virtual NCPA 2020 Annual Convention

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Due to the COVID pandemic, the State has worked to reduce reliance on the congregate mega-shelters we have seen in the past and are also housing evacuees in hotels and motels (at least 1750 throughout Louisiana—not just in New Orleans) which FEMA has said they will reimburse the state for. Still there is concern about the evacuation process and lack of social distancing and what impact that could have on the number of COVID infected individuals. It will be several weeks before we have that answer.

CARES Act Deadline Now Sunday, September 13 We know our members are at different stages of the process in applying for the CARES Act funding that you are eligible to get. Some have already received payment while others have registered but not yet submitted all the necessary information. Providers who received a Medicare payment in April have only had since August 10th to apply for the balance of their funding. As today's deadline was nearing, HHS announced an **extension of the deadline to September 13**. While we would “never say never” providers should assume that September 13th is a hard deadline so that you do not miss out. Also, HHS announced that they are still working on the reporting requirements which were originally supposed to have already been announced already. They indicated that the reporting portal—for providers who receive payments of \$10K or more—is expected to go live on October 1. The “go to” HHS source for the latest CARES Act Provider Relief Fund Distribution is their [provider webpage](#).

La Medicaid Managed Care Report for SFY 19 is Available Since the beginning of Medicaid managed care in Louisiana in February 2012, the legislature has required that LDH submit an annual report with specific information included. Because of the claims lag—Medicaid providers have an entire year to submit claims for payment—the information contained in the newly released report represents 7/1/18 to 6/30/19 so some of it is more than two years old. Still, the information on pharmacy spending is noteworthy and the new report is now [posted](#) on LDH's website. LIPA worked closely with the legislature in advocating for inclusion of requirements for this report that increase transparency in Medicaid MCO pharmacy operations and which are actually spelled out in [state law](#). In glancing at the report, we can see real differences between the five MCOs in SFY 19:

- Percentage of pharmacy claims paid—ranged from 70.3% to 79.8%
- Percentage of pharmacy claims denied—ranged from 20.2% to 29.7%
- Percentage of claims subject to prior authorization—ranged from 2.4% to 7.8%
- Percentage of claims subject to step therapy or fail first—ranged from 0.3 % to 4.3%

Two of the five Louisiana Medicaid MCOs (Healthy Blue and United) [reported](#) retaining large sums (\$34M, \$35M) through **spread pricing** in FY 18. As a reminder, spread pricing is no longer allowed under Act 263 (Senate Bill 239 by Senator Mills) passed during the 2019 legislative session.

Occupational Licensing Review Commission Meeting Postponed Until September 10th The PBM permitting process directed by Act 124 is an agenda item for the next meeting of the Occupational Licensing Review Commission, now rescheduled for September 10th. As a result of questions raised by PCMA's representative at the February meeting and his promise to provide the Commission with more information to consider, their decision on the Board of Pharmacy's PBM permit rule was deferred. LIPA submitted an eight-page written **Memorandum in Support of the Rule** to the Board and was prepared to participate in the Zoom meeting that had been scheduled for Thursday to address any misinformation and attempts at obfuscation by PCMA/PBMs but the meeting was rescheduled due to concerns about the approaching storm and potential power and internet outages. **Why does this matter?** Permitting of PMBs is required by state law but actual implementation of laws by agencies and boards involves “rulemaking” as part of the public notice process. Rules include greater operational detail than are typically included in the broad law and this Rule that is under consideration is about these permit details. PBMs have seized on the administrative rulemaking process (which includes approval by the Commission) as an opportunity to stall actual implementation of the PBM permit law.





Major Developments on the COVID Front Impacting Pharmacies During his acceptance speech last night, the President stated that he is confident that a COVID-19 vaccine will be available before the end of the year. Meanwhile vaccine trials conducted by different manufacturers continue to recruit participants, including the Meridian trial (one of the [Operation Warp Speed](#) products) in Baton Rouge.

Yesterday, it was [announced](#) that the federal government has acquired 750 million COVID 19 rapid antigen tests—at a cost to the government of \$5 per test. They are the size of a credit card and require no additional equipment to operate. These tests are administered via a less invasive nasal swab. Our question of course is what role independent pharmacies who wish to, might play in providing access and administering this non-invasive test.

Have You Made Your Travel Plans to Join Us in DC? If you have not yet made plans to join us in Washington DC on Tuesday October 6, please consider doing so! We believe that pharmacists in their white coats are a powerful visual in showing who is impacted by the Supreme Court’s eventual decision in the *Rutledge vs PCMA* ERISA case that is scheduled for oral arguments on that day. Airfare rates are lowest for travel scheduled more than 30 days in advance—and remembers a number of airlines are keeping middle seats empty until at least the end of October. Please let us know if you are planning to attend.

Attorney General Jeff Landry Pens Op-Ed Regarding Dangers of Counterfeit Drugs As students return to high school and college campuses across Louisiana, Attorney General Jeff Landry is urging parents and of course students—to be aware of the very real dangers of counterfeit drugs. He notes that college campuses have become “a hotbed for the abuse and misuse of prescription drugs” which are often offered through mail order. You can read the Op Ed [here](#). You can remind your patients—and their parents-- that a “bricks and mortar” community pharmacist is their most accessible healthcare provider and will be there to ensure their health and safety while away at college.

We Saw it in the News . . . or on the Internet

- **Considerations for Drive-Up Flu Vaccine Administration** The website **Drug Topics** includes a number of [suggestions](#) and recommended safety measures. for pharmacists who are considering offering drive-up or parking lot flu vaccines this season.
- **Laura the Super-spreader?** NBC reported on their [website](#) regarding fear that Hurricane Laura could turn into a COVID-19 super -spreader event for both "already struggling" Louisiana and Texas. *We've got fewer people in the hospital with COVID now than we've had in the last couple of months, but we've had the most cases per capita in the country," [Governor John Bel] Edwards told MSNBC's Stephanie Ruhle on Thursday. "We have significant community spread, and we are very mindful that this storm is gonna complicate our efforts to get the virus under control."*
- **The President's Executive Order on “Favored Nation” Prescription Drug Pricing** This week **The New York Times** [reported](#) on the “disconnect” between the President’s public statements on his Executive Order regarding “favored nation” drug pricing and the fact that it has yet to actually be made public. The President has described this Order as “the granddaddy of them all” and according to the NYT, “*implied that his “favored nations” order would affect all pharmaceuticals, in reality it would affect only a small fraction of drugs: those, like chemotherapy infusions, that are administered in a doctor’s office. Even to do that, an order alone would not be enough to change policy; that would require notice-and-comment rule-making that could take months or longer.* [Similar to the rulemaking the Board of Pharmacy is working on to enact PBM permitting under Act 124!]

