

DRAFT MINUTES

Name of Meeting: Pharmacy Liaison Committee
Date of Meeting: April 5, 2012
Length of Meeting: 2:10 PM – 4:20 PM
Location of Meeting: DMAS 13th Floor Boardroom

DMAS Attendees:

Bryan Tomlinson, Division Director
Donna Proffitt, Pharmacy Manager
Rachel Cain, Pharmacist
Keith Hayashi, Pharmacist
Scott Cannady, DMAS Policy Analysis
Tyrone Wall, Compliance Specialist
Kayla Anderson, DMAS Policy Analysis

Committee Members Present:

Tim Musselman, Virginia Pharmacist Association (VPhA)
Jan Burrus, PhRMA
Alexander McCauley, Community Pharmacy (EPIC)

Committee Members Not Present:

Bill Hancock, Long Term Care Pharmacy Coalition
Lauren Baldwin, Virginia Association of Chain Drug Stores

Other Attendees:

Richard Grossman, Vectre Corporation
Sandra Guekian, NACDS
Kemper Hyers, VACD
Joe Winalski, Biogen
John Beckner, Martin's
Gerald Milsky, Epic Pharmacies Inc
Rusty Maney, Walgreens

Introduction

Bryan Tomlinson welcomed everyone to the meeting and asked everyone in attendance to introduce themselves. The Committee approved the minutes from the July 19, 2011 Pharmacy Liaison Committee (PLC) meeting. Mr. Tomlinson informed the Committee of the July 1, 2012 far Southwest Virginia Medicaid expansion. Six (6) MCOs will be in the region (Majesticare, Anthem, Amerigroup, Virginia Premier, Optima, and CareNet). Mr. Tomlinson alerted the Committee members of possible transition issues with the new MCOs since managed Medicaid

will be new to the area. He also shared that providers may need to prepare for an influx of new Medicaid (FFS and MCO) members with the implementation of upcoming 2014 Health Care Reform Act provisions.

Drug Utilization Review Board Approved Service Authorization

DMAS' Pharmacy Manager Donna Proffitt described the functions and recent recommendations of the DUR Board. She informed the Committee that several new medications will be subjected to service authorization due to the recommendations of the DUR Board. Historically service authorizations have primarily been required for non-preferred drugs on Medicaid's Preferred Drug List (PDL). The DUR Board has developed criteria for the service authorizations for these drugs not subject to the PDL based on FDA guidelines. The service authorizations will be managed by the Magellan's service authorization department.

FAMIS Select

Donna Proffitt explained the FAMIS Select program to the Committee members. She informed the Committee members that these recipients are not eligible for pharmacy benefits, only for the payment of premiums; however due to system programming errors, submitted pharmacy claims paid for this population during the time period of 2008 through January 2012. DMAS has corrected the programming issue and will be recouping the monies for the claims that paid out of coverage. She informed the Committee that letters will be sent out to the providers that are involved along with a list of claims to be retracted before the DMAS' recoupment is processed.

Specialty Drug Reimbursement

Donna Proffitt quoted regulation 12VAC30-80-40 with regard to how specialty drugs are identified. Specialty drugs are defined as drugs to treat chronic, high cost or rare diseases. She detailed the payment methodology that is currently in place (WAC + 4.25%) and how DMAS' lower of logic reimbursement methodology has made the specialty pricing methodology ineffective. She requested that the Committee provide recommendation to DMAS' with regards to a pricing methodology for specialty drugs.

Replacement of AWP and Dispensing Fee Survey

Donna Proffitt informed the Committee that DMAS' is continuing to evaluate replacement benchmarks for AWP. She shared that DMAS has contacted other States and the Centers for Medicare and Medicaid Services (CMS) for guidance. She asked the Committee members if they were aware of any movement for a national replacement for AWP. DMAS is planning to conduct a dispensing fee survey in the near future and Ms. Proffitt solicited suggestions for improving the response rate from this survey. Tim Musselman responded that the Virginia Pharmacist Association could work closely with Medicaid in getting "the message out" to the pharmacy community.

Proposals for Cost effective Delivery of Pharmacy Services

Bryan Tomlinson reminded the Committee members of the new Point of Sale (POS) flu vaccine billing procedure that was implemented last fall. He asked if pharmacy providers had noticed the billing changes or had any comments/concerns about the change. One member stated that it was a very positive change, but wanted to know if DMAS would consider reimbursing pharmacists for the administration of the vaccine beyond the dispensing fee of \$3.75.

Another Committee member wanted to know about D.0 implementation (an update to the POS claims payment standard). She was informed that DMAS has already transitioned to D.0 and is currently adjudicating POS claims in that format.

A Committee member wanted to know if EFT (Electronic Funds Transfer) was mandated by Medicaid and who do they contact to get set up for EFT. Staff referenced the Medicaid memo dated 5.10.2011 that addressed this topic. The substance of this memo is identified below:

“The purpose of this memorandum is to notify participating providers of DMAS’ plan to implement item #300H of the 2011 General Assembly Appropriation Act - 300H requires that all new providers bill claims electronically and receive reimbursement via Electronic Funds Transfer (EFT) no later than October 1, 2011. Item #300H also requires existing Medicaid providers to transition to electronic billing and receive reimbursement via EFT no later than July 1, 2012. The Department of Medical Assistance Services (DMAS) will conduct a phased-in approach to this mandate to require newly enrolled providers to sign up for EFT and bill electronically once approved for participation with Virginia Medicaid starting July 1, 2011. Existing providers are encouraged to begin to transition to electronic participation any time after August 1, 2011. In support of this mandate DMAS will implement several new enhancements to the Virginia Medicaid Web Portal on June 6, 2011. DMAS will launch Direct Data Entry (DDE) of Claims, Provider Profile Maintenance, and Blast Email. These enhancements are intended to simplify the claims submission process, improve efficiency and claims processing times, lower costs for both the Commonwealth of Virginia and the Medicaid provider community; and expand and enhance our provider communications.”

Providers should contact ACS provider enrollment section to enroll to receive EFT.

Other Business

Bryan Tomlinson shared with the Committee member that DMAS next Pharmacy and Therapeutic Committee Meeting is scheduled for April 19, 2012.

A Member wanted about how Medicaid will handle management of dual members. Bryan Tomlinson stated that DMAS is still in the early stages of this development (integration of Medicaid and Medicare reimbursement and services for members who have both Medicare and Medicaid coverage) and will share additional information whenever it becomes available. DMAS is creating a website devoted to the dual expansion and once the site is “live”, Donna Proffitt will distribute the link to the Committee members.

The meeting was adjourned at 4:20 PM