

DRAFT MINUTES

Name of Meeting: Pharmacy Liaison Committee
Date of Meeting: August 8, 2013
Length of Meeting: 2:08 PM – 3:27 PM
Location of Meeting: DMAS 13th Floor Boardroom

DMAS Attendees:

Bryan Tomlinson, Division Director, Health Care Services
Donna Proffitt, Pharmacy Manager
Rachel Cain, Pharmacist
Keith Hayashi, Pharmacist
Danielle Adeeb, DMAS Information Management
Darryl Hellams, Provider Enrollment
Scott Cannady, DMAS Policy Analysis

Committee Members:

Tim Musselman, Virginia Pharmacist Association (VPhA)
Hunter Jamerson, EPIC representing Alex Macaulay
Bill Hancock, Long Term Care Pharmacy Coalition
Anne Leigh Kerr, PHRMA
Rusty Maney, VACDS

Other Attendees:

Richard Grossman, Vectre Corporation
Rick Medlinger, J&J
H.Otto Wachsman, Stony Creek Pharmacy
Tami Brown, Merck
Ralston King, VSHP

Introduction

Donna Proffitt welcomed everyone to the meeting and asked everyone in attendance to introduce themselves. The Committee approved the minutes from the October 12, 2012 Pharmacy Liaison Committee (PLC) meeting.

Provider Enrollment Requirement

Donna Proffitt informed The Committee of the provider enrollment requirements starting October 25, 2013. She stated that any prescriber that writes a prescription for a Virginia Medicaid member must be enrolled as a provider with Virginia Medicaid. Mrs. Proffitt invited Darryl Hellams from DMAS' Provider Enrollment to explain the new federal requirements and timeline for implementation. According to Mr. Hellams, the Code of Federal Regulations 455:410(b) states that State Medicaid agencies must require all ordering or referring physicians or other professionals providing services under the State plan or under a waiver of the plan to be enrolled as participating providers.

The purpose of the requirements is to ensure that all orders, prescriptions or referrals for items or services for Medicaid beneficiaries originate from appropriately licensed practitioners who have not been excluded from Medicare or Medicaid. This enrollment requirement does not apply to Medicaid's managed care organizations (MCOs).

Cost of Dispensing Survey

DMAS is working with Myers and Stauffer (M&S) to conduct a cost of dispensing survey for pharmacies enrolled with Virginia Medicaid. Representatives from Myers & Stauffer (M&S), Allan Hanson and Jim Davidson, joined the meeting via telephone to discuss the methodology and logistics of a pharmacy cost of dispensing survey which M&S will be conducting for DMAS. The Committee expressed their support for the cost of dispensing survey and agreed to work with DMAS to solicit support from the pharmacy community.

Medicaid Managed Care Expansion including Foster Care

Mr. Tomlinson discussed the movement of Foster Care and Adoption Assistance members into managed care. He reported that approximately twelve thousand members will be enrolled in a MCO with the expansion scheduled in the Tidewater region for September 1st, Central Virginia for November 1st and Northern Virginia for December 1, 2013. The remainder of the Commonwealth will be completed in 2014.

Mental Health Drugs continue to be Excluded from PDL

Mr. Tomlinson reaffirmed that mental health drug will continue to be excluded from the Preferred Drug List (PDL) as a result of legislative language included in the 2013 Appropriations Act.

340B Contract Pharmacies

Mrs. Proffitt shared her concerns with Committee about 340B contract pharmacies being able to identify and bill claims covered by under the 340B program. DMAS excludes pharmacy claims submitted by entities registered with HRSA as a 340B entity from drug rebate invoicing. Drugs purchased by an entity under the 340B program and not eligible for drug rebates. A third party vendor, SunRX, recently informed DMAS that 340B contract pharmacies are using "virtual inventories" and cannot identify the patients whose prescriptions can be filled with drugs purchased under the 340B program. In addition, the 340B contract pharmacy does not know the 340B price; therefore cannot bill Medicaid the 340B price. DMAS is concerned that 340B contract pharmacies are using the lower cost drugs and accepting Medicaid's usual reimbursement. DMAS in turn excludes these claims from the drug rebating since the contract pharmacy is registered with HRSA which results in increased drug costs for Medicaid. Walgreen's is one of the largest 340B contract pharmacy chains in the U.S. Rusty Maney from Walgreen's agreed to collaborate with DMAS on how 340B claims can be identified and submitted to Medicaid.

ProDUR Messages Changes at POS

Mrs. Proffitt shared with the Committee that DMAS is updating the pharmacy claims adjudication system to return all NCPDP allowable ProDUR messages (maximum of nine) on pharmacy claims submitted at point-of-sale (POS). If a claim has more than eight (8) ProDUR messages, the pharmacist will receive a NCPDP response with the conflict code 'CH' and the

message to “CALL THE HELPDESK - 800-774-8481.” This information and an email address for questions were included in the Medicaid Memo that was sent to providers in early June 2013.

Multiple Submissions of Claims

Ms. Proffitt shared with the Committee DMAS’ concerns regarding the multiple submissions of pharmacy claims through the point-of-sale system. Ms. Proffitt stated that reports provided by DMAS’ fiscal agent, Xerox, identified the top 25 resubmissions of a denied claim for a fourth quarter 2012 and first quarter 2013. One pharmacy re-submitted a claim a total of 442 times. When the pharmacy was contacted and asked why the claim was re-submitted so many times, the pharmacist responded “the prescription was put on hold and they have an auto submit that keeps running the claim unless someone cancels it.” Several other pharmacies which had high resubmission numbers (ranging from 23-84 per prescriptions) were also contacted had various responses for the resubmissions including that their system did not “show” these re-submissions. DMAS is particularly concerned about these re-submission rates since both DMAS and the pharmacy incur costs with the submission of each claim. Ms. Proffitt asked the Committee if they could offer any suggestions to minimize the re-submission rates. Rusty Maney asked Ms. Proffitt to forward her any claims that were submitted by Walgreen’s. It was also suggested that DMAS contact the pharmacist-in-charge (PIC) at independent pharmacies when researching this issue.

Pilot Medication Therapy Management (MTM) Program

Hunter Jamerson shared that the pilot MTM program for Virginia employees enrolled in the Commonwealth’s health plan was scheduled to begin October 2013. Virginia has contracted with the Mirixa Corporation to provide MTM for enrollees with three (3) or more chronic disease states taking eight (8) or more medications. Mr. Tomlinson responded the Medicaid is very interesting in the outcome of this pilot and requested Mr. Jamerson to provide an update at the next PLC meeting.

With no additional business, Mr. Tomlinson adjourned the meeting at 3:20 PM