Disclosures

Brad Young reports no actual or potential conflicts of interest associated with this presentation.
Learning Objectives

1. Discuss the implications of the CMS pharmacy regulation changes for the 2019 Medicare Part D plan year.
2. Review new legislative requirements for prescribing opioids for chronic pain.
3. Discuss state legislative developments relating to reimbursement for retail pharmacy services.
4. Review state legislative developments relating to Medicaid Managed Care.
5. Provide an overview of market changes in the healthcare industry and its impact on retail pharmacy.
DIR Fees

- All price concessions at the point of sale.
- 2017 CMS study found “high cost DIR arrangements ease the financial burden borne by Part D plans essentially by shifting costs to the catastrophic phase of the benefit, where plan liability is limited.”
- Transparency
- CMS will continue to review and believes it has authority to make changes at a future date.
Medicare Program: Contract Year 2019 Policy and Technical Changes

Patient Lock-In Provisions

- Patient’s election as to physician and pharmacy.
- CMS will work with Plans on defining minimum criteria.
- CMS is expanding the definition of frequently abused drugs to include opioids and benzodiazepines.
Medicare Program: Contract Year 2019 Policy and Technical Changes

Limitation to the Part D Special Enrollment Period for Dual and Other LIS-Eligible Beneficiaries.

Reasonable enrollment restrictions for opioid “at risk” patients to discourage circumventing lock-in requirements.

LIS patient population is highly transitory.

LIS patients frequently have complex medication regimens.

Final regulation changes the enrollment period to once per quarter with 4th quarter being the AEP.
Further Opportunities

The President’s Plan calls for the assessment of:
1) PBM as fiduciaries.
2) Elimination of the manufacturer/PBM rebate safe harbor.
3) Some manufacturer and all pharmacy price concessions at the point-of-sale.
4) Elimination of gag clauses and ensuring lowest cost patient options.
New Regulations On Prescribing & Dispensing Opioids

CMS Proposed Regulations:

- Adoption of the “90 morphine milligram equivalent (MME) threshold” cited in the CDC Guidelines.

- 7-day limit for initial fills of prescription opioids for the treatment of acute pain.

- Flags for high-risk beneficiaries who use ‘potentiator’ drugs (such as gabapentin and pregabalin) in combination with prescription opioids.

- Soft edits at point of sale.
New Regulations On Prescribing & Dispensing Opioids

States enact laws addressing opioid abuse:

Enact laws related to prescription drug monitoring programs, access to naloxone, pain clinic regulation and provider education.

Most of this legislation limits first-time opioid prescriptions to a certain number of days’ supply—seven days is most common, though some laws set limits at three, five or 14 days.

Opioid tax on manufacturers and wholesalers. Suspicious order monitoring.
State Legislation Relating to Pharmacy Services

State Wide Protocols, or Prescriptive Authority for Pharmacists

Common Bills: Smoking Cessation, Immunizations, Contraception, Travel Medications and TB Testing.

Opioid Management: Naloxone
State Legislation Relating to Pharmacy Services

Naloxone Access in Community Pharmacies

Based on data collected by NASPA (updated January 2018)
Reimbursement For Value Based Provider Services

Medical Providers
  - Merit-based Incentive Payment (MIPS)
  - Advanced Alternative Payment Models (APMS)
- Accountable Care Organizations

Pharmacy Providers
- CPESN USA is a clinically integrated network of community pharmacies that coordinates patient care with broader care teams to provide medication optimization activities and enhanced services for high-risk patients.
Reimbursement For Value Based Provider Services

STAR Ratings for Health Plans

- Enrollment Statistics
  - 73% of MAPD enrollees are in contracts with 4 or more Stars
  - 47% of PDP enrollees are in contracts with 4 or more Stars

- One measure of “Clinical Care”:
  - CMR Completion Rate (was new in 2016)

- Three measures of medication adherence:
  - Non-insulin diabetes medications
  - Cholesterol medication (statins)
  - Blood pressure (renin-angiotensin system antagonists)

- Display only: Future opioid measure?

Sega T., Kuhle, J., PQS Quality Forum – Medicare 2018 Star Ratings Update November 9, 2017
Arkansas 2018 Special Session
- State Association reports 270 drugs with an average $60.00 per prescription spread.

Arkansas Attorney General and Insurance Commissioner Reviews

Ohio, Iowa, W. Virginia

Commercial and Federal programs
- Medical Loss Ratio
- ACA Exchanges
Industry & Supply Chain Consolidation

- Walgreens and Prime Therapeutics
- Cigna and Express Scripts
- CVS Health and Aetna
- Amazon, Berkshire Hathaway, Chase
Questions?

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