

DRAFT MINUTES

Name of Meeting: Pharmacy Liaison Committee
Date of Meeting: September 4, 2014
Length of Meeting: 10:00 AM – 11:35 AM
Location of Meeting: DMAS 7th Floor Conference Room

Committee Members Present:

Tim Musselman, Virginia Pharmacist Association (VPhA)
Anne Leigh Kerr, PhRMA
Rusty Maney, Virginia Association of Chain Drug Stores
Alexander Macaulay, EPIC Pharmacies

Committee Members not present:

Bill Hancock, Long Term Care Pharmacy Coalition

DMAS Attendees:

Bryan Tomlinson, Division Director
Donna Proffitt, Pharmacy Manager
Rachel Cain, Pharmacist
Keith Hayashi, Pharmacist
Tyrone Wall, Compliance Specialist

Other Attendees:

Jill McCormack, National Association of Chain Drugs Stores
Richard Grossman, Vectre
Tucker Obenshain, MWC
Michele Satterland, MWC
John Beckner, National Community Pharmacists Association

Myers & Stauffer Staff:

Allan Hansen

Introduction

Bryan Tomlinson welcomed everyone to the meeting and asked everyone in attendance to introduce themselves.

Approval of Meeting Minutes from January 10, 2014

Mr. Tomlinson asked if there were any corrections, additions or deletions to the draft meeting minutes from January 10, 2014. Alexander Macaulay informed the Committee that his name was spelled incorrectly. With that correction, the minutes were approved by the Committee.

Cost of Dispensing Survey

Myers & Stauffer provided DMAS with the results of the Virginia Cost of Dispensing (COD) Survey conducted during the spring/summer of 2014. The results of the survey were shared with the PLC members prior to the meeting. Allen Hansen from Myers & Stauffer provided a brief overview of the survey results to the Committee and responded to the members' questions.

Mr. Tomlinson asked Mr. Hansen to explain the role of the dispensing survey with new reimbursement methodologies based on average acquisition cost (AAC). Mr. Hansen explained that CMS is looking for Medicaid programs to use an ingredient based methodology that is linked to average acquisition cost in their reimbursement formulas. He explained that CMS has created its own benchmark for average acquisition cost based on actual data from pharmacy invoices, the National Average Drug Acquisition Cost or NADAC. He informed the Committee that several states are already using NADAC in their reimbursement methodology. In addition, CMS has stated that pharmacies should be paid a reasonable dispensing fee based on the cost that pharmacies incur to fill a prescription.

Mr. Tomlinson informed the Committee that DMAS is currently evaluating the survey results and will be proposing a new pharmacy reimbursement methodology. Next steps will include sharing the information with the DMAS' executive management team (EMT), proposing reimbursement options and soliciting support of the EMT for a new reimbursement methodology before submitting recommendations to the Virginia Department of Budget and Planning.

Provider Screening Requirement Update

Mrs. Proffitt, DMAS' Pharmacy Manager, informed the Committee that the Provider Screening Requirement scheduled for implementation in the Spring of 2014 continues to be delayed. Provisions of the Affordable Care Act require that all practitioners who prescribe medications for Virginia Medicaid Members must be enrolled with Virginia Medicaid. This means that any practitioner not currently enrolled must do so in order to continue to order, prescribe or refer services. January 1, 2015 is the anticipated implementation date. After that date, pharmacy claims will deny if the provider has not enrolled with Virginia Medicaid. Several Committee members suggested that DMAS postpone the implementation to a date later in the month of January since so many third-party payer changes occur on January 1st.

Other Business

Bryan Tomlinson informed the Committee that effective November 30, 2014, MajestaCare will no longer be available as a Medicaid managed care plan. MajestaCare currently serves the Roanoke and far southwest Virginia localities. These areas will continue to be served by five (5) MCOs – Anthem HealthKeepers Plus, CoventryCare of Virginia, INTotal Health, Optima Family Care and Virginia Premier. Approximately 12,000 Virginia Medicaid members currently enrolled with MajestaCare will be assigned to another MCO.

The meeting was adjourned at 11:34 AM