

Act 292 of the 2022 Regular Legislative Session

Council on Medicaid Pharmacy Reimbursement

Wednesday, November 9, 2022

9:00 a.m.

Bienville Building

Room 118

628 N. 4th Street

Baton Rouge, LA 70802

Name	Committee Attendance	Attendance
M.J. Terrebonne	Pharmacist (Senate Committee on Health & Welfare)	Present
Kim Wixson	Louisiana Pharmacists Association	Present
Nikki Hollier	Louisiana Board of Pharmacy	Present
Melwyn Wendt	Louisiana Department of Health	Present
Dana Antoon	Louisiana Board of Pharmacy	Present
Dr. Stewart Gordon	Physician (Senate Committee on Health & Welfare)	Present
Doug Boudreaux	Pharmacist (House Committee on Health & Welfare)	Absent
Randal Johnson	Louisiana Independent Pharmacies Association	Present
Dr. Wanda Thomas	Physician (House Committee on Health & Welfare)	Absent
Jeff Gaude	National Association of Chain Drug Stores	Absent
Pam Reed	LA Alliance of Retail Pharmacies	Present

- **Call to order**
 - The meeting was called to order at 9:00 a.m. by M.J. Terrebonne
- **Introductions and Quorum Determination**
 - The roll was called by M.J. Terrebonne and a quorum was confirmed.
- **Review and approval of September 21st meeting minutes**
 - Dr. Gordon moved to approve the minutes and Pam Reed seconded the motion. The minutes were approved with no objection.
- **Medicaid Pharmacy Updates**
 - LDH presented a presentation about Medicaid Pharmacy Updates. The updates were regarding the pharmacy presentation from September 21, 2022 and Provider Enrollment.
 - Randal Johnson asked if LDH has been able to determine if Humana will notify patients that will be assigned to them. LDH replied that Humana claims will process

the same as FFS with the addition of "HUMANA" for a group number. LDH will also notify providers that Humana will not have their own network. The providers need to be enrolled with FFS for Humana pharmacy claims.

- Nikki Hollier said we have occurred six times the overhead cost.
 - LDH response: We have realized this on many instances. We go back and modify one or the other. We have criteria in place as part of the prior authorization. Fee for service has a robust DUR System. If something was incorporated in the p.a. criteria, please give LDH a call if you notice these things to accommodate how the MCO's work. This is what they were instructed to do. If we see something and high instances of denial, LDH will review.
- Kim Wixson asked if LDH has the capacity to report the data on non-prior authorization rejects.
 - LDH response: We do not have the program logic. We tell the MCOs what to do and how to do it. The MCO's and pharmacy directors are on weekly calls. Denials among the MCOs are pretty much the same. This is why we are trying to get to a single PBM. There are different platforms out there and it's not always consistent.
- Nikki Hollier asked when LDH will have a single PBM process. Is this the ultimate goal and is this happening?
 - LDH response: We can't provide an answer on this timeline.
- Randal Johnson asked if the DUR report is still complete or incomplete.
 - LDH response: This report is still provided. MCO's all complete their own. As of now, we have six DUR annual reports. In the future, we will eventually have seven.
- LDH asked if there are any data request, please place this in email so it can be addressed.
- Randal Johnson asked about enrollment and re-enrollment of providers.
 - LDH response: Claims will begin denial on January 1st. currently, we see 139 pharmacies are not enrolled, 800 pharmacists not enrolled, and 1600 prescribers not enrolled. We have been making phone calls for the last several weeks. We are finding some providers have multiple ID numbers. LDH is buckling down as much as we can to reach out to all providers. On January 1st, we would estimate if a pharmacist is not enrolled there would be a denial for that claim.
- Randal Johnson asked if we could discuss the 139 pharmacies currently unenrolled. What numbers are LDH looking for that would recognize the pharmacies as enrolled? What numbers are you using?

- LDH provided a response: LDH is enrolling, in the provider portal all pharmacies enrolled in Fee-for-Service (FFS) Medicaid before December 31, 2021, and pharmacies enrolled with an MCO before March 31, 2022.
- Randal Johnson asked questions about the old and new NPI numbers.
 - LDH provided a response: The old and the new NPI numbers are mapped to a Medicaid ID number.
- Randal Johnson asked how can we advise pharmacies on how to have correction done?
 - LDH provided a response and said there's provider look up tool where any provider can go and enter their information. This will tell you if an enrollment is needed.
- Randal Johnson asked how long do we allow for pharmacies to be able to use an old Medicaid ID number after a change of ownership.
 - LDH provided a response: LDH/Gainwell and the provider choose a mutually agreed date for the change of ownership to occur after the date the new Board of Pharmacy permit has been issued to the new provider.
- MJ Terrebonne stated someone has to determine what meets the definition of local pharmacy and what happens if there are ten new pharmacies in a month?
 - LDH provided a response and said they check the criteria. The Local Pharmacy list should include the local pharmacies, in order to receive the FFS dispensing fee of \$10.99.
- Randal Johnson asked if we have an update on the out of state enrollment for providers?
 - LDH provided a response and said please include this in the request for data.
- **Presentation by Myers & Stauffer**
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 - Myers & Stauffer shared a presentation on the following topics: Components of Pharmacy Reimbursement, Louisiana's Pharmacy Reimbursement Methodology, Medicaid Basics, CMS Covered Outpatient Drugs Final Rule, National Average Drug Acquisition Cost, NADAC Use in the Marketplace, NADAC Help Desk, How NADAC Rates are Updated, NADAC & State AAC Comparison, Louisiana Medicaid Cost of Dispensing Study, 2021/2022 LDH Cost of Dispensing Study, Results from 2021/2022 LDH Cost of Dispensing Study.
 - Cyrena Knight provided background regarding how Louisiana's pharmacy reimbursement methodology has evolved and how La. varies from other states.
 - Luke Slindlee provided information regarding NADAC and how it is calculated.
 - Kim Wixson asked how the state accounts for stores with specific wholesaler agreements, so they do not skew NADAC pricing.
 - Luke Slindlee answered that they are aware of generic compliance ratios and the nature of how some wholesalers elect to tie the purchase price of brand drugs to the volume of generics drugs purchase, and that at this point they are dependent upon reporting that is on the submitted invoices.
 - Luke Slindlee explained how NADAC rates are updated.
 - Cyrena Knight explained how flexibility is lost with NADAC in states with smaller wholesalers, like Louisiana, and how the state specific AAC program allowed them

to address it more at the state level as opposed to only nationally.

- Kim Wixson asked how other states using NADAC are compensating for regional differences in their NADAC
 - Allan Hansen answered that some states are using a blend of NADAC and the state specific rate.
- Luke Slindlee provided information about how pharmacies are being reimbursed under their cost using NADAC and how data from Louisiana pharmacies is used to adjust rates.
- Matt Hill provided information about the Professional Dispensing Fee, what supporting data is required to make changes to it, and how the survey process occurred.
- Randal Johnson provided information regarding the survey participation rate from independent pharmacies and explained that Hurricane relief efforts impeded the local pharmacy's ability to participate, while chains had little to no issue submitted the requested data.

- **Call for Public Testimony**

- N/A

- **Schedule Future Council Meetings**

- The next council meetings will be held Wednesday, December 14th at 9:00 a.m. and Wednesday, January 11th at 9:00 a.m.
 - The meetings will take place at Louisiana Department of Health in the Bienville Building, Room 118.

- **Other Business**

- N/A

- **Adjournment**

- The meeting was adjourned 2:10 p.m.