



MICHIGAN PHARMACISTS ASSOCIATION

## THIRD PARTY COMMITTEE 2015 ANNUAL REPORT

**Committee Members:** Deb Sopo, chair; Jake Chaffee, Board liaison; Kathy Jones, Board liaison; Christopher Smith, Board liaison; Eric Roath, MPA staff liaison; Ghada Abdallah; Bill Drake; Mindy Edgar; Yvonne Gallagher; Carrie Germain; Todd Hook; Jim Horton; Joe Leonard; Ronald Melaragni; Steve Marciniak; Kimberly Moon, Brian Peltz; Kevin Roeder; Jeff Rowe; Doug Samojedny; Kristy Schuelke; and Jim Szyskowski

**Meeting Dates:** March 19, 2015; June 18, 2015; Sept. 24, 2015; and Dec. 10, 2015

### I. Progress Report for 2015 Committee Charges

*Charge # 1: Work with third-party payers and support legislative efforts to attain pharmacist provider status at the federal level. Monitor and support state and federal legislation that pertain to third-party issues.*

The Committee voiced support for the provider status legislation, and discussion related to this charge focused primarily on reviewing and evaluating health plan policy changes. Additional regulatory issues related to third party practices and payments were also discussed, including pricing regulations and payer network concerns.

*Charge #2: Continue to establish relationships with third-party payers and government officials to promote the value of pharmacy services and develop a partnership for the payment of clinical services. Communicate information to members when appropriate.*

Changes related to third-party policies were communicated to the Committee and shared with the general membership through fax blasts and e-mail notices. Issues that were communicated include changes to reimbursement and auditing policies for Michigan Medicaid and Medicare Part D plans. Additionally, the Committee worked to promote educational efforts that were sponsored by Blue Cross Blue Shield related to their policy changes.

*Charge #3: Enhance communications with the major third-party insurance plans/pharmacy benefit managers and develop a working relationship with their pharmacy liaisons.*

Liaisons from the health plans regularly reported changes to the Committee related to concerns that are being faced by their respective groups. Many Committee members continued to attend and participate in the Medicaid Pharmacy Liaison meetings that were held in conjunction with the Third Party Committee meetings.

*Charge #4: Monitor, identify and communicate concerns related to third-party payment, including the impact of mandatory mail-order, limited networks, audits and prescription drug pricing standards.*

“Third-party concerns” was a standing agenda item for each meeting. The Committee provided a forum for providers and payers to communicate and address concerns related to policy enforcement and changes.

*Charge #5: Highlight information that pharmacists need to be communicating to third-party payers through MPA publications.*

Articles and other publications were communicated in MPA electronic newsletters, fax blasts and quarterly journals that address payer and provider concerns as well as policy changes related to third-party activities.

*Charge #6: Develop a strategy to inform members and interact with them on third-party issues via the new MPA Web site.*

Third-party news and activities were promoted through all of the Association's communication mechanisms, including those that interface with the MPA Web site. However, the Committee did not engage in any activities that actively changed the way that third-party information was transmitted through the Web site and did not identify any deficiencies in the current communication process.

*Charge #7: Develop a model to more efficiently deliver services to rural areas and underserved populations. Propose a reimbursement model that resembles a physician payment model.*

The Committee discussed this extensively at the March meeting to determine what a realistic approach to fulfilling this charge would entail. The group generally agreed that the typical functions of the Committee fell somewhat out of the scope of this charge, but Committee members were still able to offer some insight into how the charge may be fulfilled outside the activities of the Committee. The Committee offered recommendations for practitioners who would be best positioned to impact this charge. Additionally, the Committee re-iterated that leveraging the provider status initiative would make a significant impact to the realization of the successful completion of this charge.

*Charge #8: Consider House of Delegates resolution(s) referred to the Committee by the MPA Executive Board.*

#### **15-01, Deceased Physician Prescription Validity**

The Committee supported the resolution with amendments to read as follows: "That MPA advocate for changes to state and federal regulations that would allow for pharmacists to dispense a 90-day transitional fill for a prescription issued by a prescriber before their death."

#### **15-02, Retrospective Billing**

The Committee supported the resolution. Discussion centered on the rate at which prices are lowered versus the rate in which they are increased. There was also discussion related to the timeframe for reprocessing claims and what would be reasonable and appropriate. The Committee seemed to concur that pricing should be updated at least within a week.

#### **15-03, Development of Best Practices for the Dispensing of High-alert Opioid Medications**

The Committee supported the resolution with amendments to read as follows: "That MPA work with state agencies and other health disciplines to develop best practices to promote optimal access to opioids and a safe, systematic process for dispensing of opioid medication."

#### **15-04, Discouraging Transfer Coupons**

The Committee supported the resolution.

## **II. Other Committee Activities**

The Committee spent a significant amount of time discussing initiatives that would allow for pharmacists to support health plan performance metrics. The Committee expressed that programs that allowed pharmacists to engage in clinical activities which support these metrics will open up new opportunities to be reimbursed for innovative or clinical services. It is the desire of the Committee to focus heavily on these services moving forward.

It is the intention of the Committee to refocus the group's discussion on establishing a dialogue with third-party payers by learning about their requirements and how we can support their efforts. In turn, the Committee can identify pharmaceutical service areas of value to payers to create win-win collaborations where reimbursement becomes possible. As drug prices continue to be an issue, continued efforts on the reimbursement front seem somewhat unlikely to yield lasting results, but it may be possible to establish revenue streams to offset losses on the product end by supplementing dispensing activities with clinical services.

## **III. Recommendation(s) for Next Year's Charges**

- Charge #1 – Provide a forum for mutual discussion of opportunities and concerns for third-party payers and pharmacy providers as it relates to reimbursement, auditing and the delivery of pharmacy services.
- Charge #2 – Continue to establish relationships with third-party payers and government officials to promote the value of pharmacy services and develop a partnership for the payment of professional services.
- Charge #3 – Enhance communications with the third-party insurance plans/pharmacy benefit managers and develop a working relationship with their pharmacy liaisons.
- Charge #4 – Highlight information related to participation with third-party payers through MPA's electronic and print publications.
- Charge #5 – Review and evaluate opportunities for pharmacy professionals to engage in patient care services to support health plan performance metrics.

## **IV. Recommendation(s) for Next Year's Committee Members**

- Deb Sopo, chair
- Victor Nguyen, Board liaison
- Ghada Abdallah
- Lisa Bade
- Bill Drake
- Yvonne Gallagher
- Carrie Germain
- Josh Halperin
- Todd Hook
- Jim Horton
- Jeff Kaufman
- Joe Leonard
- Ronald Melaragni
- Steve Marciniak
- Kimberly Moon

- Reta Mourad
- Kevin Roeder
- Jeff Rowe
- Doug Samojedny
- Rob Sefenger
- Jim Mathews
- Jim Szyskowski

Respectfully submitted,

Deb Sopo, chair, and Eric Roath, MPA staff liaison