

# National Community Pharmacists Association (NCPA)

## Advocacy Center Update

### Week Ending October 29nd, 2011

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**Deficit Reduction Talks Continue on Congressional Super Committee:** Although the Senate was out of session, the Super Committee held a public hearing on deficit reduction but an agreement remains elusive. Both Republicans and Democrats on the deficit-reduction Committee shared starkly different plans--potentially making it more difficult to reach an agreement by the Nov. 23 deadline. House Speaker John Boehner, R-Ohio, rejected the Democratic plan to save \$3 trillion over 10 years because it contained significant revenue increases. Reports are that the Democratic plan included \$500 billion in cuts to the Medicare and Medicaid programs.

Meanwhile, Democrats on the panel had a cool reaction to the Republicans' \$2.2 trillion proposal which did not include tax increases. We continue to meet with Super Committee members and to encourage them to take up our recommendations. We are particularly concerned about Medicaid and Medicare cuts, especially potential cuts to payments to diabetes testing supplies.

**House Votes To Fix Medicaid Glitch:** The House voted to make it harder for hundreds of thousands of people to qualify for Medicaid under the president's health care overhaul. The House easily passed legislation that would fix a Medicaid "glitch" created by the health law that would have allowed up to 3 million middle-class couples earning as much as \$64,000 onto the already struggling Medicaid rolls starting in 2014. The House also voted to adjust a definition that determines eligibility for certain health care programs.

**NCPA Meets with Senate Armed Services Committee:** This week NCPA met with the staff of Senate Armed Services Committee Chairman Carl Levin (D-MI) regarding potential programs to save TRICARE money. We are continuing to meet with additional Members of the Committee and will be communicating directly with TRICARE and the Department of Defense on potential ways to increase generic utilization or create more savings in the program. In addition, we communicated with members of the House Armed Services Committee regarding a potential hearing on the TRICARE program.

**Senate to Hold ESI-Medco Hearing:** The Senate Judiciary Subcommittee on Antitrust, Competition Policy, and Consumer Rights will be holding a hearing on the proposed merger between PBM giants Express Scripts and Medco, likely sometime in early December. This week NCPA met with staff of Ranking Subcommittee Member Senator Mike Lee (R-UT) on the proposed merger and the disastrous impact it would have – if approved – on our patients and our pharmacies.

**Senate to Hold Confirmation Hearings on FTC Commissioners:** The Senate Commerce Committee will hold hearings on the renomination of FTC Chairman Jon Leibowitz and Commissioner designate Maureen Ohlhausen on November 15<sup>th</sup>. This will give Senator Members of the Committee – many of whom have written to the FTC with concerns about the

CVS Caremark merger – to ask about the status of the ongoing investigation. This will also give Senators a chance to express concerns about another PBM related matter before the FTC – the pending ESI-Medco merger.

**CMS Requests Input on Anti-Psychotic Use in Nursing Homes:** NCPA attended a meeting this week hosted by Dr. Donald Berwick who is the Administrator of CMS and multiple representatives from the Medicare team. The focus of the meeting was the challenges of over-prescribing of anti-psychotropic drugs in long term care facilities. CMS has asked that all stakeholders work together to find a solution and they suggested non drug/behavioral approach protocols should be tried before other measures are taken. CMS noted that 20% of nursing homes are currently cited for overmedicating and the Agency is concerned that residents are chemically restrained as a result of “move market share” strategies. CMS stated they do not want to regulate any changes at this point but would do so if necessary. Within 14 days each stakeholder group was asked to send CMS suggestions on protocols, modalities and other changes to help decrease overutilization of anti-psychotics in nursing homes that will lead to measurable results within 12 months. NCPA will be working with our LTC division members on a response to CMS.

**CMS Updates Providers on Part B Revalidation Process:** NCPA participated in a conference call with CMS regarding revalidation of Part B suppliers. CMS is beginning to engage in a massive revalidation effort applying to any Part B enrollee that enrolled through a Form 855B or 855S before March 25, 2011. Enrollees should not take any revalidation action until they receive a revalidation notice from their contractor. Contractors will also make two phone calls to each enrollee in addition to sending the notice. Once an enrollee receives a notice, they have 60 days to revalidate. If an enrollee fails to revalidate as stated in the notice, then the enrollee’s Medicare number will not be revoked, but will be deactivated. CMS also noted that the application/revalidation fee for 2012 will be published in the Federal Register soon.

**CMS Announces 2012 Medicare Part B Premium:** This week CMS announced that the standard Medicare Part B monthly premium will be \$99.90 in 2012, an increase of \$3.50 increase. Once a beneficiary’s income is above \$85,000 per year, a supplemental premium applies, which ranges from an additional \$40.00 per month to \$219.80 per month, depending on how much the beneficiary makes and whether he or she is single or married. Additionally, in 2012, the Part B deductible will be \$140, a decrease of \$22 from 2011.

**APhA and NABP Announce Community Pharmacy Accreditation Program:** APhA and NABP announced a partnership to develop a voluntary accreditation program for community pharmacies, expected to be operational in 2012. The standards development process will use a consensus-based approach that will involve a wide array of pharmacy and other stakeholders. This is an issue that NCPA has been tracking for many years, and our current position is that such additional accreditation for state-licensed, retail pharmacies is duplicative and unnecessary. NCPA recognizes the individual state boards of pharmacy as exclusively responsible for governing and regulating the practice of pharmacy and as such, opposes efforts that attempt to apply burdensome accreditation requirements to community pharmacies.

**Restrictive Avandia REMS Program Begins Soon:** Effective November 18, Avandia (rosiglitazone)-containing medications will only be available through restricted mail order distribution as part of the REMS program approved by the FDA. NCPA received some updated clarification on the status of the program from the manufacturer, which at this time remains mail order only. Avandia products will only be dispensed by specially-certified pharmacies – three have been identified as authorized facilities that handle the medication for various sectors: Medco Liberty (all commercial/retail outlets); Accredo (institutional, hospital, long-term care facilities, Medicaid); Walgreens Mail Order (for GSK patient assistance program participants). NCPA will continue to put out communications in the coming weeks with information for pharmacists to help their patients who may be transitioned into the mail program.

**In The States:**

- NCPA issued a joint press release with NACDS expressing our disappointment with the CMS approval of Medi-Cal’s proposed 10% reimbursement cut to Medicaid pharmacy and other providers. NCPA will continue to lend assistance to the California Pharmacists Association as they consider various options in the wake of these cuts.
- NCPA is working with the Lancaster County Pharmacists Association on the development of a petition requesting Congressman Joe Pitts to hold a hearing on the PBM industry and the negative impacts the industry has on community pharmacy. NCPA will be traveling to Lancaster County Pennsylvania on November 8<sup>th</sup> to present these issues to a group of community pharmacists and gain support on the petition.

**NCPA Political Activities:** NCPA participated in the following fundraising and other political activities this week for the following Members of Congress:

- Rep. Buck McKeon (R-CA): Chairman of the House Armed Services Committee.
- Sen. Roy Blunt (R-MO): Member of the Senate Committee on Commerce, Science and Transportation and Ranking Member of the Senate Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies.
- Sen. Harry Reid (D-NV): Attended Political Briefing regarding Senate Democrats electoral prospects hosted by Senate Majority Leader Reid’s Majority PAC.
- Participated in the Council of State Governments Annual Meeting in Seattle.

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