NCPA, NACDS discuss drug pricing with HHS officials
This week, NCPA CEO Doug Hoey, President-elect Bill Osborn and Chairman Brian Caswell along with NACDS CEO Steve Anderson and representatives from Kinney Drug met with Dan Best and Jon O’Brien, who are the two drug pricing leads at HHS. The discussion centered on DIR fees and how the organizations can be helpful as the Trump administration seeks to reduce prescription drug prices and patient out-of-pocket costs.

83 Members of the House urge Sec. Azar to address pharmacy DIR fees
This week, 83 members of the House of Representatives wrote to HHS Secretary Alex Azar and urged him to move forward with a proposal that would effectively eliminate retroactive pharmacy DIR fees by requiring that all pharmacy price concessions be accounted for at the pharmacy counter. The letter was led by community pharmacy champions Reps. Morgan Griffith (R-Va.) and Peter Welch (D-Vt.) and signatories included seven committee chairmen, two committee ranking members, and eleven members of the Energy and Commerce Committee.

This letter echoes a similar letter submitted by 21 U.S. Senators. Both Congressional letters augment the sentiment of 154 pharmacy stakeholder organizations and over 1,900 individual pharmacists who all encouraged Secretary Azar to address pharmacy DIR fees.

In addition to these letters, NCPA submitted its own comments on DIR and the Trump Administrations blueprint on drug pricing.

PBM transparency bills gain support in July
Two pieces of legislation aimed at bringing greater transparency into pharmacy DIR fees and MAC pricing gained support in July. H.R. 1038, which addresses retroactive pharmacy DIR fees, picked up the support of Reps. Ralph Abraham (R-La.) Andy Biggs (R-Ariz.) and Mike Johnson (R-La), increasing the number of cosponsors to 84 and the companion Senate bill, S. 413 picked up the support of Senator Joni Ernst (R-Iowa). Additionally, H.R. 1316, MAC transparency legislation, picked up the support of Reps. Ro Khanna (D-Calif.), Scott DesJarlais (R-Tenn.), Bill Posey (R-Fla.) and Yvette Clarke (D-N.Y.), bringing the total number of cosponsors to 55. If you are represented by any of these members, please click here to send them an email thanking them for their leadership and support.

Current cosponsorship numbers for all priority bills are:
- Pharmacy DIR fees: S. 413: 15 Senators / H.R. 1038: 84 Representatives
- Generic drug pricing transparency (or MAC legislation): H.R. 1316: 55 Representatives
- Pharmacy choice in Medicare Part D: S. 1044: 5 Senators / H.R. 1939: 34 Representatives
- Compounding: H.R. 2871: 62 Representatives

Invite your legislator to work during the August recess
The House of Representatives is currently on its traditional August recess and is not scheduled to return until Tuesday September 4. Additionally, the Senate will be on recess the week of August 6. This extended in-district work period, is an excellent opportunity to invite legislators to visit your pharmacy
Pharmacy visits and face-to-face meetings are tremendously effective ways to communicate with legislators and to establish yourself as a resource to them as issues arise. Visit NCPA’s pharmacy visits webpage or contact Michael Rule at michael.rule@ncpanet.org for tips on arranging a visit with your legislator.

NCPA and NACDS provide quality measure recommendations to CMS
NCPA and NACDS recently sent a letter (see attached) to CMS offering recommendations for measuring quality at the pharmacy level in the Part D program. The suggestions focused on defining pharmacy quality within the Medicare Part D program, holding plans accountable for determining performance-based payments based on standardized, achievable, and proven criteria that measure individual pharmacy performance, and bonusing/penalizing performance separate from the cost of the medication.

NCPA submits comments on USP <795>
This week, NCPA submitted comments on USP Chapter <795> regarding proposed revisions to standards on compounding quality nonsterile preparations. Major revisions of this chapter that NCPA commented on included: expanded guidance for assigning beyond-use dates (BUD) for compounded nonsterile preparations (CNSP) in the absence of stability information and defined personnel and facility requirements. NCPA emphasized that the impact of these revisions is substantial from both an economic and operational perspective. NCPA stated that compliance with the new general chapter could hinder patient access due to increased burdens.

NCPA attends NCSL Legislative Summit
This week, NCPA staff attended the National Conference of State Legislatures’ 2018 Legislative Summit in Los Angeles. NCPA used this opportunity to meet with a key legislator to discuss PBM regulation and also met with several likeminded organizations in support of eliminating pharmacy DIR fees.

CMS updates payment rates and rules for skilled nursing facilities
This, CMS posted a final rule, “Medicare Program: Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities Final Rule for FY 2019, SNF Value-Based Purchasing Program, and SNF Quality Reporting Program.” Beginning Oct. 1, the SNF Value-Based Purchasing Program will apply either positive or negative incentive payments to services furnished by SNFs based on their performance on the program’s readmissions measure, with a goal of improving individual outcomes to providers who take steps to limit the readmission of their patients to a hospital. NCPA LTC Advocacy team will monitor this implementation to ensure that the role of the pharmacist is maximized. To stay up to date on important LTC updates, join the NCPA LTC Division and Building New LTC Business October 4-5 ahead of the NCPA 2018 Convention. This 2-day sales training addresses the four major challenges of senior care facilities.

Energy and Commerce Committee Leaders seek information from 340B contract pharmacies
This week, House Energy and Commerce Committee leaders sent letters to nine contract pharmacies that participate in the 340B Drug Pricing Program (340B Program), requesting information about their participation in the program. The letters are a continuation of a two-year investigation showing that despite the 340B Program’s tremendous growth, it lacks robust oversight, meaningful reporting requirements, and reliable data. The letters follow a June report by the nonpartisan Government
Accountability Office (GAO) on contract pharmacies that “found weaknesses in the Health Resources and Services Administration’s oversight that impede its ability to ensure compliance with 340B Program requirements at contract pharmacies” and made several recommendations.

Data shows PBMs manipulate drug pricing in Medicaid
New data released this week from 46brooklyn Research shows how PBMs manipulate the drug pricing system to their benefit, according to a report in Axios. Among the findings: PBMs are reaping large Medicaid windfalls on generic drugs, not brand-name drugs (although clandestine rebates make brand-name drugs lucrative in other markets) and in numerous instances, after a brand-name drug loses patent protection and generics hop onto the scene, the costs of that drug decrease dramatically. This is information that community pharmacy has experienced for years, but this reporting is backed up with hard data.

NOTE: With the House in recess, NCPA will not be sending out the weekly update for the remainder of August. However, if events warrant, special informational alerts may be distributed. Regular updates will resume the week ending September 7.

NCPA’s Advocacy Center Update provides a weekly detailed summary of recent and breaking legislative, regulatory, and state developments impacting independent community pharmacy and NCPA’s efforts to affect policies benefiting its membership and the industry. The weekly update is distributed to NCPA leadership, steering committees, allied organizations/stakeholders and major contributors to the NCPA LDF and PAC.