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Report to the Board
April 8, 2014

Budget Recap (attached)

April 29th Lobby Day Issues

1. AMMO reform A5723-A Heastie/S3995-A Maziarz
Bill is on Assembly Insurance Agenda this week
Removes 'terms and conditions' and need for new written contract
Amends Insurance Law.
Defines "same reimbursement": same AWP, same MAC, same NDC
2. MAC appeals process. A9264 Rosenthal amends Public Health Law.
Senate sponsor is under discussion
Applies to A rated generics, at least three manufacturers, available from
NYS wholesalers, available at MAC price
MAC updated every 7 days or sooner
PBM must disclose sources used to establish MAC
MAC list available upon request
Appeals process: 90 days following original claim for payment;
Telephone number; respond within 7 business days; if the appeal is
successful, retroactive to the date of claim adjudication; adjustment
effective for all similarly situated pharmacies; if denied, provide
reason.
3. Immunizer expansion and reform: A9211 Paulin and S5688 Hannon
Removes sunsets; removes county restriction; all vaccines either patient-
specific or non-patient specific orders; adds Tdap
4. CDTM

Additional bills of interest

A8637-A Dinowitz/S6744-A Hannon to prevent death due to overdose. Makes
Naloxone available without a patient-specific prescription.

A8975 Quart/S6763 Lanza Medication synchronization. Amends insurance law to pay
pharmacies for partial fills in order to synchronize all refills on the same day; pro-rates
co-payment. Full dispensing fee. Modeled on NCPA.

A7702 Glick/S5392 LaValle Requires SP in out-of-state pharmacies registered with SED to have a NYS pharmacy license

A8602 McDonald/S6449 Hannon Amends the pharmacy practice act to require patients and/or caregivers to be contacted before a prescription is delivered; offers as an alternative, direct patient consultation every six months.

A7794 Glick Requires insurers to reimburse for immunizations administered by pharmacists

A5352 Gottfried and S1086 Maziarz PBMs are fiduciaries

A9096 McDonald When tobacco products are sold in pharmacies, requires information and support for quitting. Disallows obvious displays and marketing.

A5124 Paulin/S4069 Hannon Establishes limited services clinics in pharmacies

A4221-A Englebright/S6398 Griffo Technician registration and certification

A3751-B Crespo/S2138-B Lanza Penalties for price gouging of any medication on the FDA list of drugs in short supply

A5214-A Titone/S2711-A Young Regulates step therapy and first fail in insurance

A1124 Rosenthal/S2947 Hannon Requires clinical education in pain management and palliative care

A7418 Titone/S3607 Lanza Prohibits sale of tobacco products in pharmacies

A8285 Lentol/S4588 Hannon Emergency opioid overdose prevention pilot program to allow high schools and police agencies to administer Naloxone

A9098 Cusick/S6771 Maziarz As a requirement for licensure, mandates 3 hours of training for prescribers of controlled substances; 8 hours for high volume prescribers (30+ patients)

A5465-A Sweeney/S3985 Grisanti Drug disposal demonstration program in state police facilities in at least 3 sites

A9250 Rosenthal/S2361 Klein Requires undergraduate, graduate and CE in chronic pain management that applies to MDs, DDSs, pharmacists, acupuncturists, nurses, podiatrists, etc.

NYS Final Budget 2014-2015

Medicaid

Remove Sections of Social Services Law that authorized Medicaid to reimburse pharmacies at Average Acquisition Cost as a fee-for-service benchmark The Health Department does not have authority to implement AAC or the proposed three-tiered dispensing fee. The budget strikes AAC from the law and removes the authority granted in 2011 to DOH to change the dispensing fee administratively.

Current law sets pharmacy reimbursement at Estimated Acquisition Cost defined as follows:

- for brands, lower of AWP-17% or WAC-.41% (updated monthly) or Usual & Customary;
- for generics, lower of AWP-25% (updated monthly), specific Upper Limit as determined by CMS, or for generics that are not FUL drugs, State Maximum Acquisition Cost as determined by DOH, or Usual & Customary. (Note that DOH is not authorized to conduct surveys to establish SMAC).

Letters are being drafted by attorneys at NACDS and NCPA directing DOH to remove NY AAC from EMedNY and First Data Bank websites.

The new budget changes the Medicaid managed care co-pay to \$1 brands and generics, preferred and non-preferred.

The across the board 2% Medicaid provider reduction is discontinued effective April 1.

“Prescriber Prevails” in Medicaid FFS and managed care is restored. (Victory for patient groups and PHRMA).

In Medicaid FFS, prior authorization will be required if the patient has more than a ten day supply of the Rx remaining. (Changed from 6 to 10 days)

Note: The Executive’s proposal to prohibit off-label use (in FFS Medicaid) failed.

Non-Medicaid: Increase EPIC eligibility thresholds.

Non-Medicaid: Require “outsourcing facilities” that prepare sterile compounds to register with SED (tracks new FDA law).

Note: “Limited Service Clinics” in pharmacies provision failed.