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Legislative Update

To: IPA Members

From: Anthony Reznik

December 1, 2016

National Community Pharmacists Association (NCPA) Federal & State Updates

Part D Prescriber Enrollment Postponed: Medicare has again delayed the enrollment requirements for physicians and other prescribing professionals who write for covered Part D drugs. For pharmacists, this means they have more time before they potentially start getting Part D rejects that would deny drugs to seniors because their doctor didn't officially enroll in Medicare or opt out. Medicare will run a five-step implementation starting in the **2nd Quarter 2017** with full enforcement beginning **Jan. 1, 2019**. This moves the enrollment deadline back from Feb. 1, 2017. **To read the full CMS announcement, go to <https://goo.gl/g2m5bn>.**

FDA Issues Updated 'Do Not Compound' List of Drugs: The FDA recently posted a final rule updating the list of drug products that may not be compounded because they have been withdrawn or removed from the market for safety or effectiveness reasons. It is important to note that the "do not compound" list only applies to compounding drugs for human use and many of the items on the list have limitations. **Pharmacists should frequently check the list at <https://goo.gl/ZcXuqZ>.**

Pennsylvania PBM Registration & Transparency Law Approved: PA Governor Tom Wolf approved a new law on November 21, 2016 that takes steps to increase MAC transparency, requires that PBMs register with the PA Department of Insurance and a fair audit provision. **IPA congratulates our PA colleagues on this great victory.**

IPA New Jersey Government Affairs Pharmacy Updates

Senate Bill 2749 PBM State Health Benefits Transparency: PBMs that submit bids on the State Health Benefits Plan contract will be required to submit contract bids through a reverse-auction process, multiple rounds of bidding are designed to increase competition and transparency among bidders. Additionally, S2749 will provide for a real-time review of the invoices sent by the PBM for payment by the state to make sure the PBM isn't overcharging the state and making billing errors. **Signed into law by NJ Governor Chris Christie on November 21, 2016. (Support)**

Assembly Bill 4347 PBM Spread Pricing Transparency Act: Recently introduced Assembly companion bill A4347, identical to S2353, would require PBMs to reveal the true cost of prescription drugs to their clients. PBMs would have to disclose to their clients the difference between how much they charge for prescription drugs and what they pay the pharmacy. PBMs reap huge profits by marking up prescription benefit claims through spread pricing. **Referred to Assembly Insurance committee for consideration. (Support)**

Senate Bill 2778 Pharmacy Choice Bill: Senator Joseph Vitale has introduced Senate companion bill S2778, identical to A4043, which would require all Medicaid managed care organizations to permit all pharmacies in NJ to dispense prescriptions for all covered medications. This bill is designed to prevent pay to play fees and unreasonable terms from keeping independent pharmacies out of the specialty drug market, and gives Medicaid patients the right to choose their pharmacy. **Referred to Senate Health committee for consideration. (Support)**

Pharmacists Society of the State of New York (PSSNY) Alert

DME Supplier Scam reported in NY: Reports have come in concerning phony calls that pharmacies have been receiving recently. The person on the phone explained they were from StonyBrook Pharmacy and they were a DME supplier. They provided a patients name, date of birth and then asked for all of the patients Medicare and or commercial billing information. The phone number they gave was **866-227-5295 which is listed on the internet as a scam phone number. Please DO NOT give out patient billing information or identifiable information.** For more information call PSSNY at 800-632-8822.