

Professional Dispensing Fee and AAAC Surveys

Division of TennCare

March 20, 2023

Presenters

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A business of Marsh McLennan



1. Covered Outpatient Drugs Final Rule
2. AAAC and Professional Dispensing Fee Surveys
3. Suggestions — Q & A



Agenda

Covered Outpatient Drugs Final Rule



FFS Reimbursement Requirements

Ingredient Cost



Average Actual Acquisition Cost (AAAC)

Dispensing Fee



Professional Dispensing Fee

**Covered
Outpatient
Drug Final
Rule**

FFS Reimbursement Requirements



Covered Outpatient Drug Final Rule

Ingredient Cost	Professional Dispensing Fee	Current
TennCare reimburses pharmacies based on a state-specific AAAC program for ingredient costs, supported by twice-yearly AAAC surveys.	TennCare's last professional dispensing fee survey was in 2019.	TennCare has contracted with Mercer to maintain the AAAC ingredient cost rates and to conduct a new professional dispensing fee survey.

AAAC and Professional Dispensing Fee Surveys

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Survey Populations



AAAC and Professional Dispensing Fee Surveys

AAAC Survey

25% of pharmacies, plus all specialty and clotting factor pharmacies

PDF Survey

All TennCare pharmacies

Both Surveys Begin April 3, 2023

Survey Support

Mercer's website
for TennCare
survey activities



<https://ghscapps.mercer.com/tenncarepharmacy>

Questions and
survey support



mercerrxpassage@mercer.com

AAAC and Professional Dispensing Fee Surveys

Drug Purchases Invoice Submission



AAAC Survey

Purpose of AAAC Survey

The AAAC survey results will be used to establish and update AAAC rates to reflect the current marketplace conditions.

Who will be Selected and What Should They Submit

The AAAC survey will be sent to a limited set of pharmacies noted earlier.

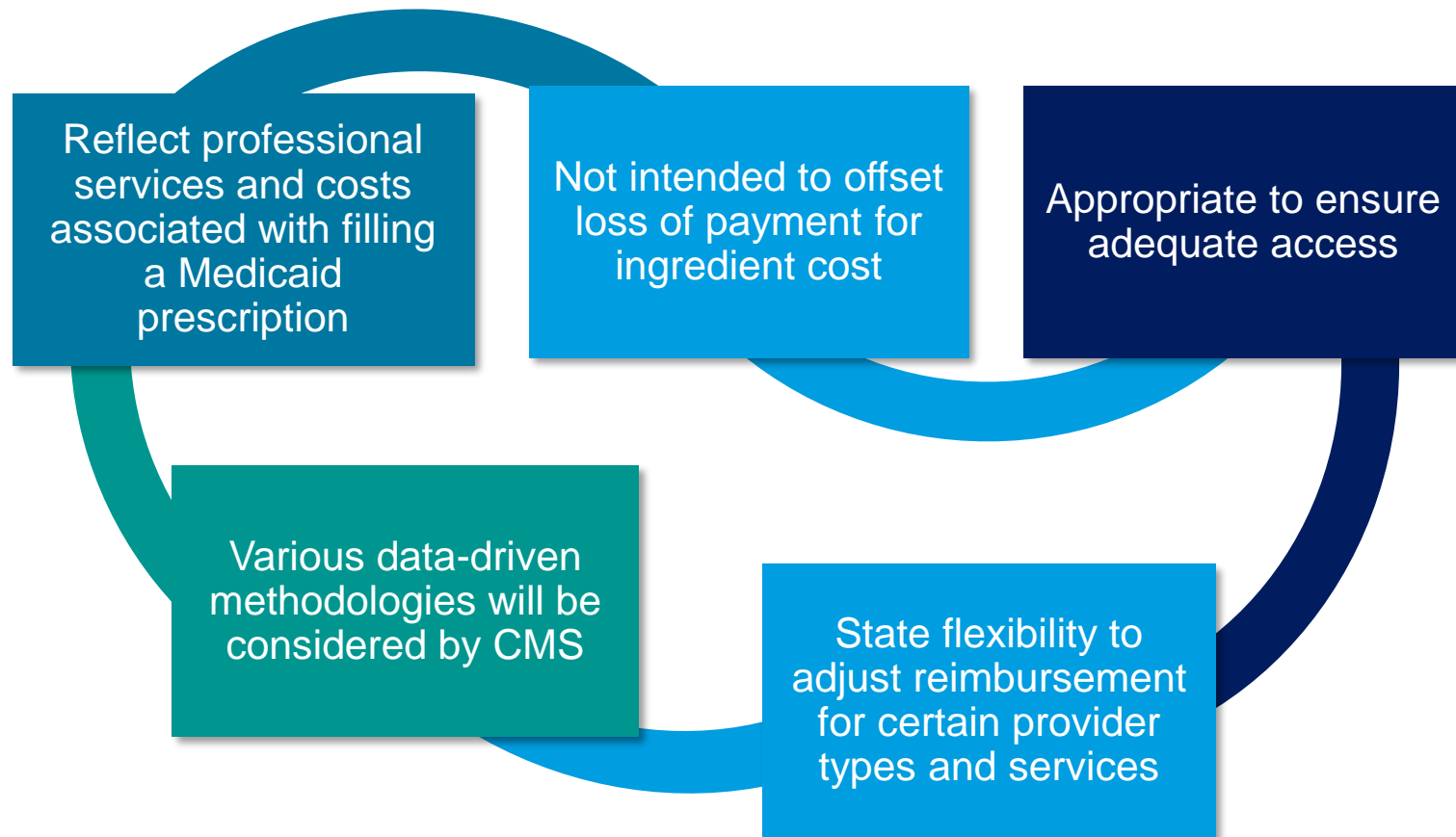
Chosen pharmacies should submit their **March 2023** drug purchase invoices in full.

How to Submit

Invoices should be submitted in Excel format.

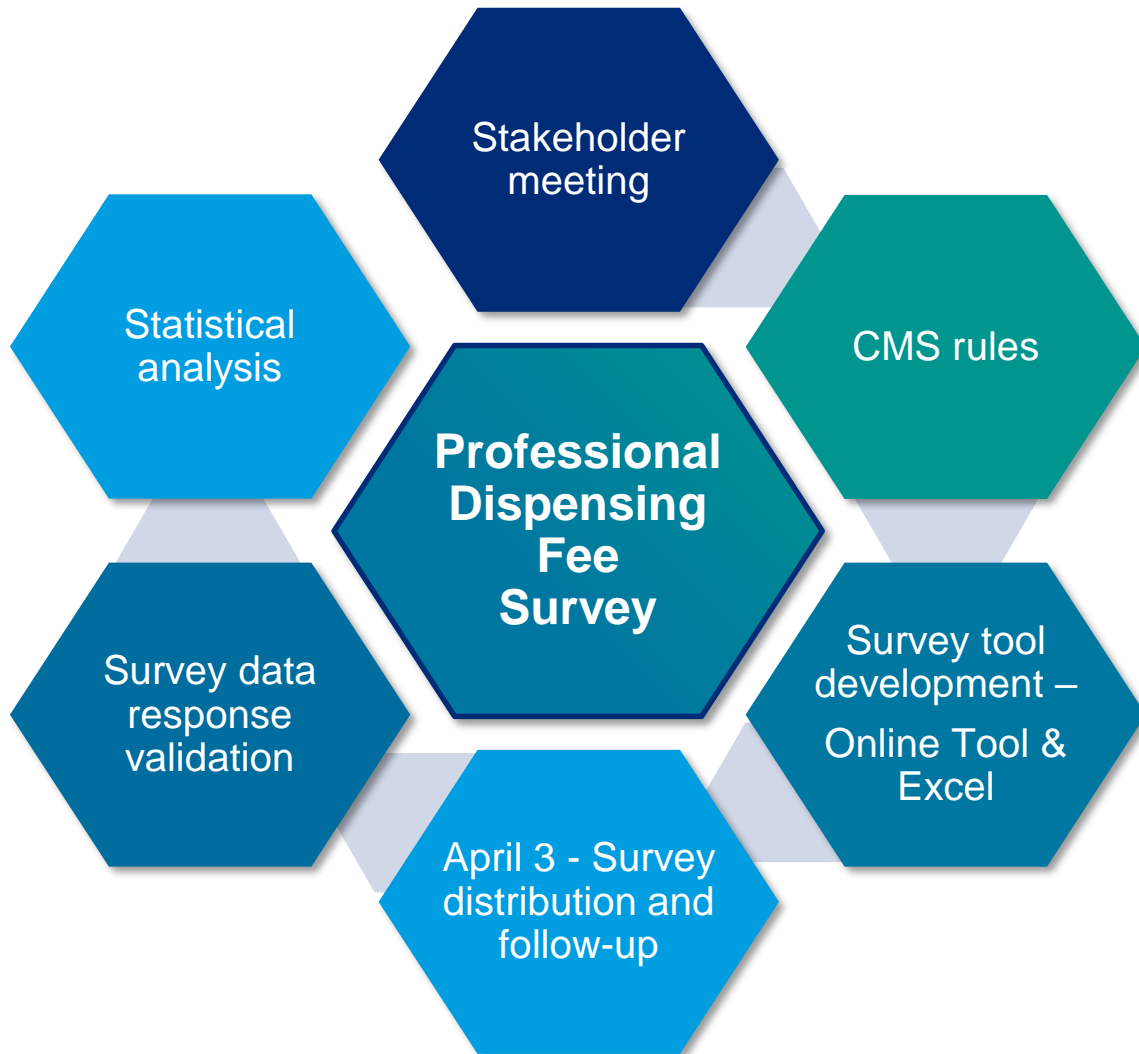
Email as an attachment to mercerrxpassage@mercer.com

Final Rule Requirements



Professional Dispensing Fee Survey

Survey Methodology



Professional Dispensing Fee Survey

Professional Dispensing Fee Survey

Preparing for the Survey – Resources Needed



Financial Statements or Tax Returns

From last completed fiscal year (12 months)



Demographic Information

Pharmacy contact information and pharmacy type



Prescription Counts

For same time period as financial statements or tax returns



Floor Plans

Showing square footage or measurements of the pharmacy (prescription) area and the non-pharmacy (retail) area



Certification

E-Signature required

Checklist

Entering Data



Profile Information

For comparison groups and to identify statistically significant causes in varying rates

For identification and explanation of certain costs

Questions are non-financial

Professional Dispensing Fee Survey

Entering Data



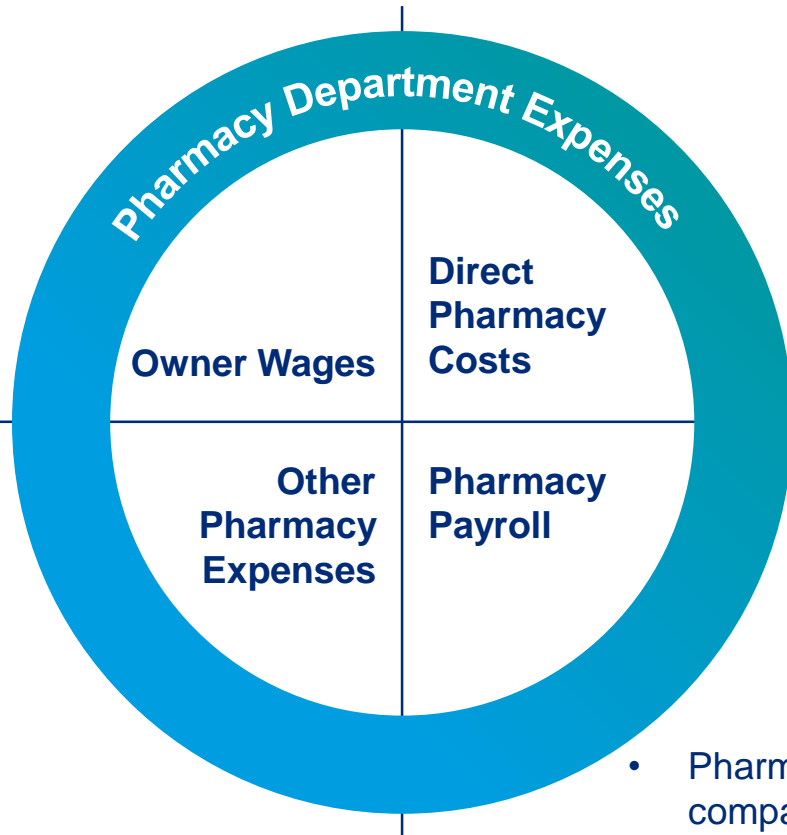
Professional Dispensing Fee Survey

Prescription Statistics

How many were filled by this pharmacy for the following categories during the reporting period?	Medicaid fee-for-service (FFS)	Total prescriptions
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Professional Dispensing Fee Survey

Financial Data



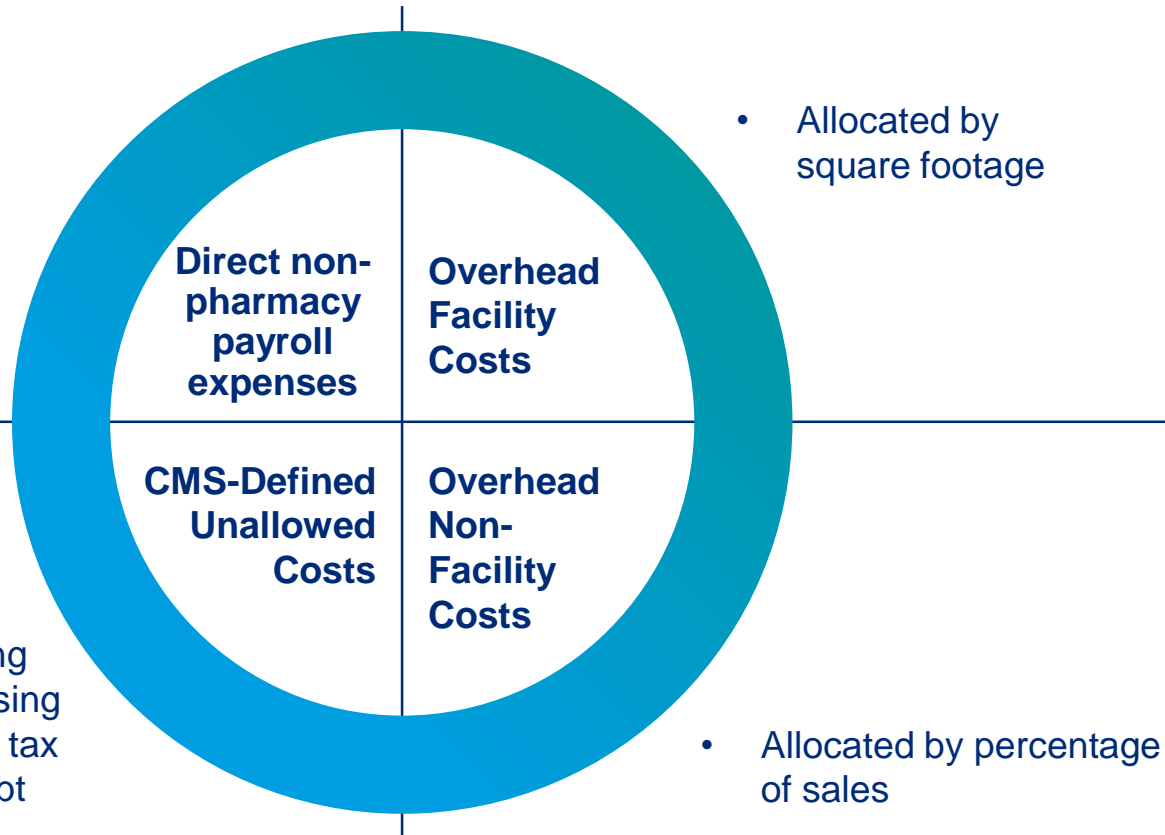
- Pharmacist costs and comparison
- Other pharmacy staff costs



Professional Dispensing Fee Survey

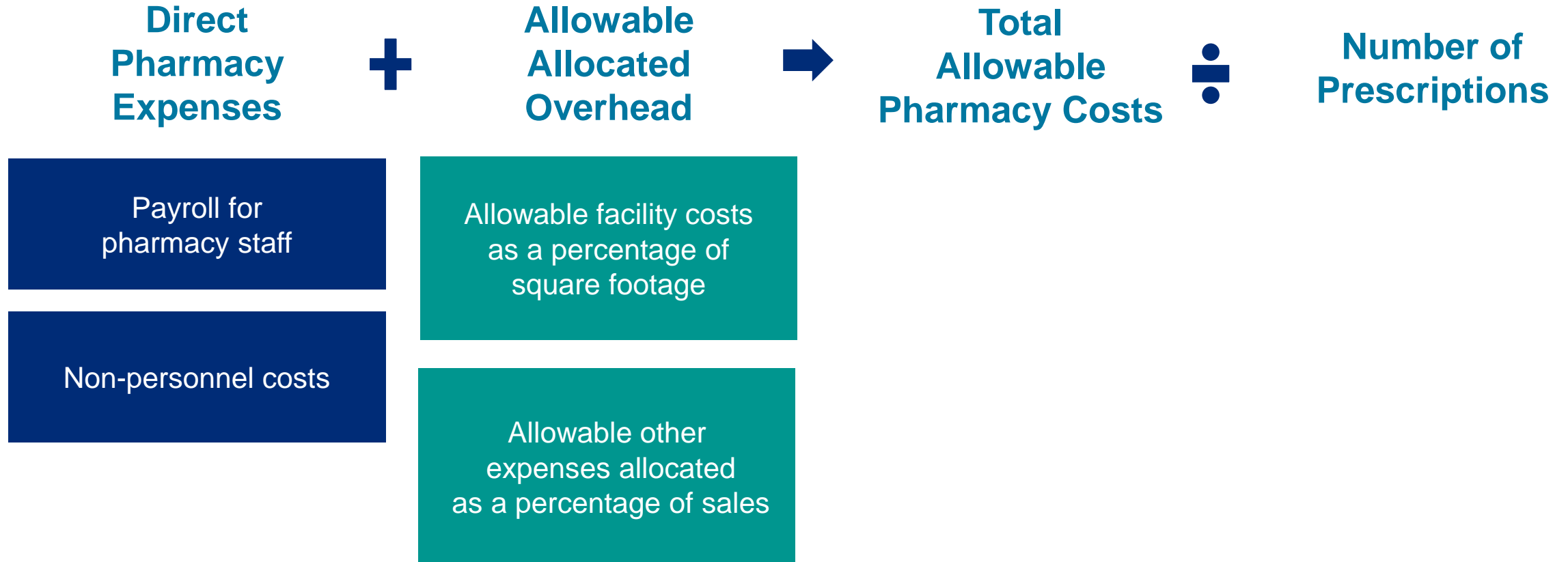
Financial Data

Non-Pharmacy Department Expenses and Unallowed Costs



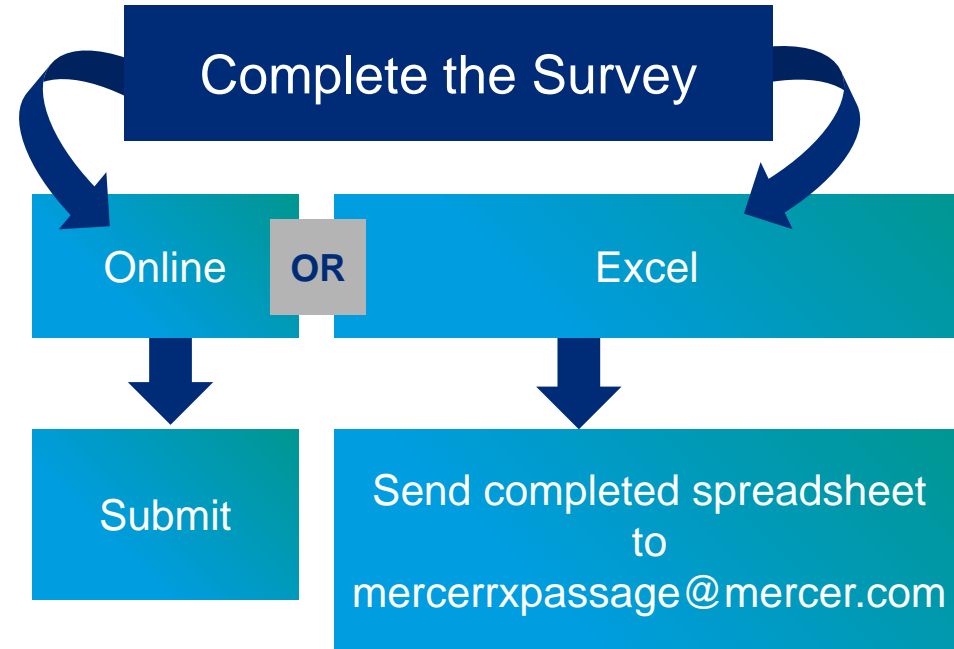
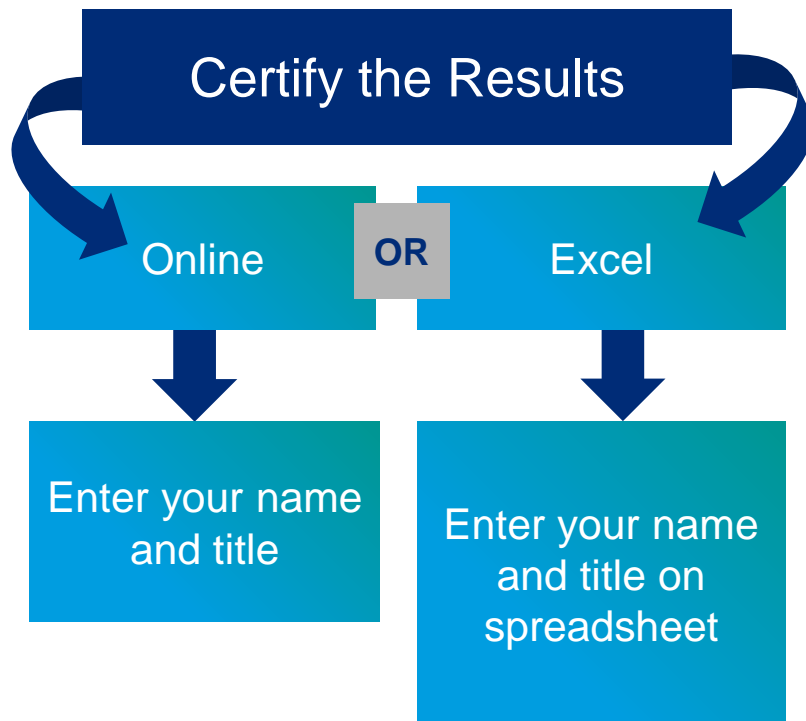
Professional Dispensing Fee Survey

Financial Data



Professional Dispensing Fee Survey

Comments and Certification



All completed surveys are subject to data validation and reviewed for reasonability and completeness.

AAAC and Professional Dispensing Fee Surveys

Calendar of Events

When

The survey collection period is April 3–April 28, 2023

How

Mercer's Tennessee survey website at
<https://ghscapps.mercer.com/tenncarepharmacy>

Mercer's survey email box:
mercerrxpassage@mercer.com



Suggestions / Q & A

