OREGON HEALTH AUTHORITY

PROFESSIONAL DISPENSING FEE SURVEY

#### February 2, 2017

#### **Presenters**

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#### AGENDA WHAT WE'LL COVER TODAY



Covered
Outpatient Drugs
Final Rule

Professional
Dispensing Fee
Survey

**Suggestions and Q&A** 

## PROFESSIONAL DISPENSING FEE SURVEY COVERED OUTPATIENT DRUGS FINAL RULE



## OREGON'S AAC PROGRAM COMPLIANCE WITH THE COVERED OUTPATIENT DRUGS FINAL RULE

Oregon implemented its AAC program in 2011

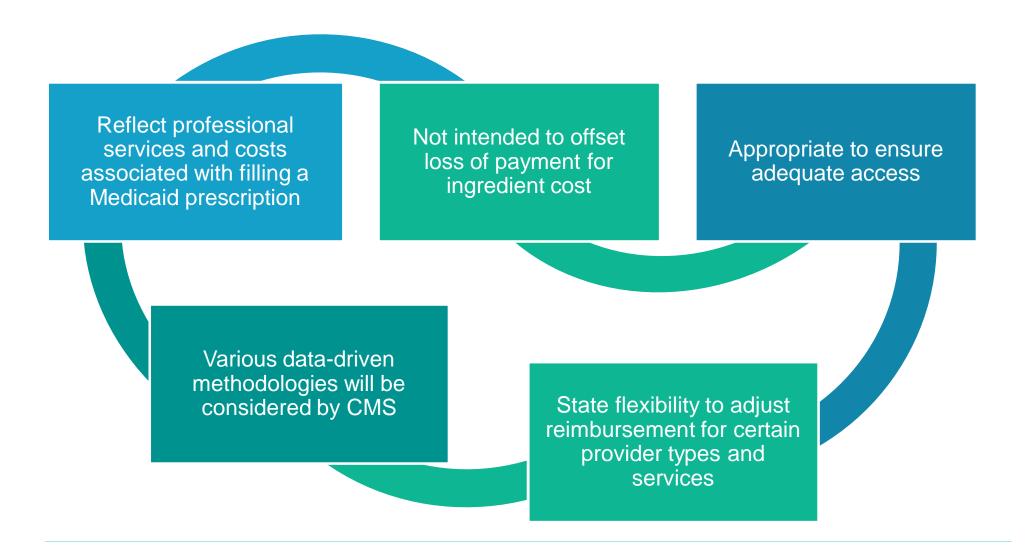
Oregon already meets the ingredient and professional dispensing fee requirements of the final rule

- Reimburses pharmacies based on a state specific AAC program for ingredient costs
- Last conducted a cost of dispensing study in 2010
- Commissioned Mercer to conduct a new professional dispensing fee survey

OHA wants to ensure professional dispensing fees are reflective of the actual cost of dispensing to Oregon Health Plan (OHP) open-card (fee-for-service) enrollees

- Required as part of State Plan Amendment (SPA) submission process to CMS
- Effective date of final rule is April 1, 2016
- States have until June 2017 to submit State Plan Amendment (SPA)

## PROFESSIONAL DISPENSING FEES FINAL RULE REQUIREMENTS



#### PROFESSIONAL DISPENSING FEE SURVEY

#### WHY



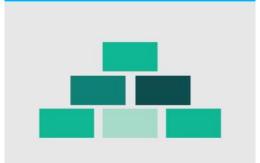
OHA is conducting a Professional Dispensing Fee survey

#### WHO



All Oregon Health Plan FFS "opencard" participating outpatient pharmacies

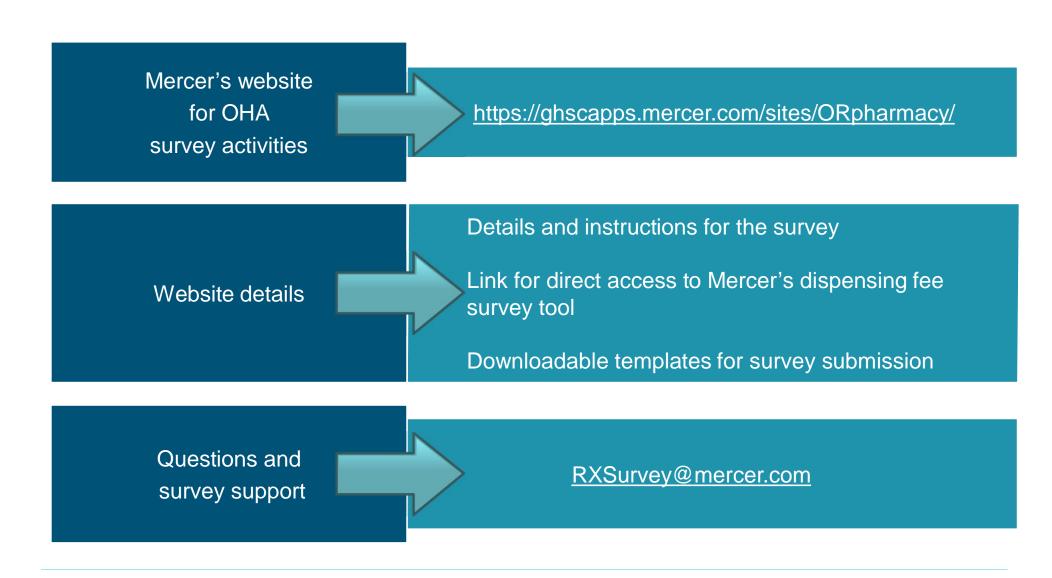
#### HOW



#### Mercer will

- Administer survey
- Conduct statistical analysis
- Produce report for OHA

## PROFESSIONAL DISPENSING FEE SURVEY SURVEY WEBSITE



## PROFESSIONAL DISPENSING FEE SURVEY SURVEY PROCESS



## PROFESSIONAL DISPENSING FEE SURVEY CHECKLIST - WHAT YOU'LL NEED

#### 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

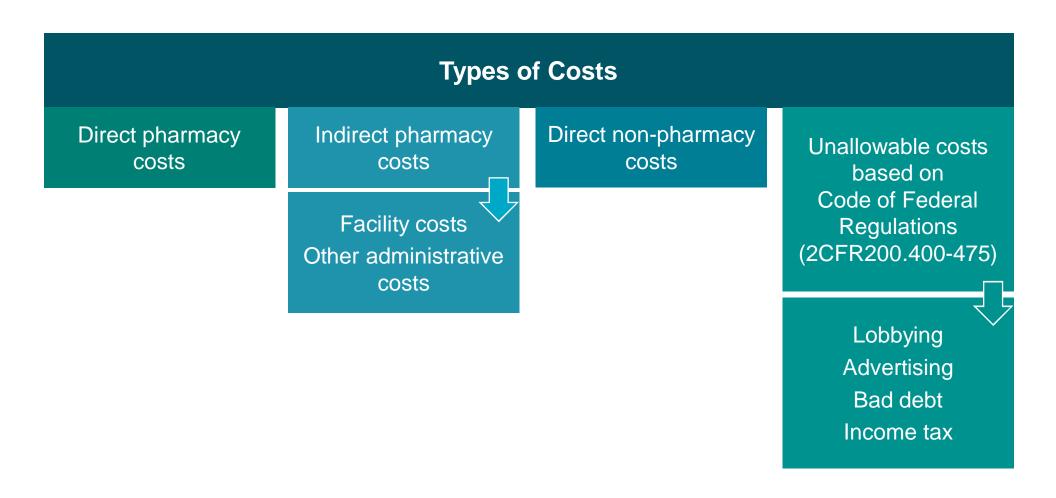
Showing square footage or measurements of the pharmacy (prescription) area and the non-pharmacy (retail) area



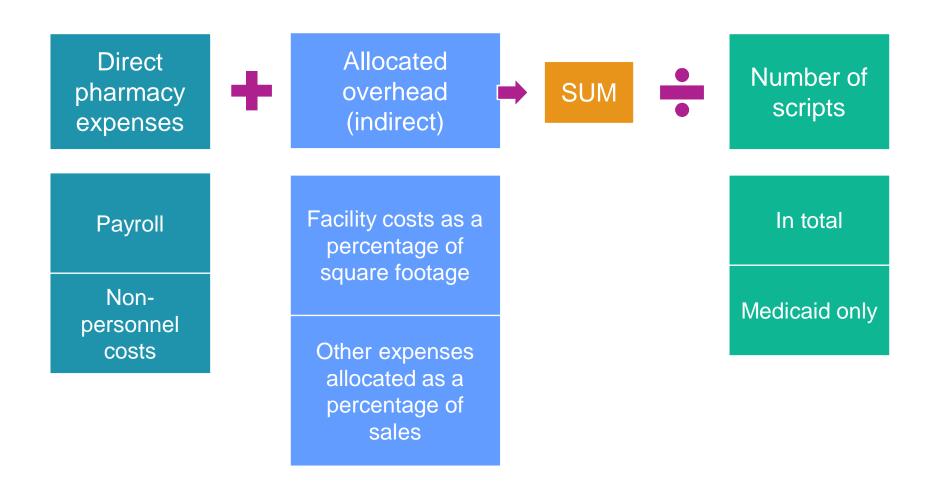
#### Certification

Signature required (electronic or printed and scanned)

## PROFESSIONAL DISPENSING FEE SURVEY TYPES OF COSTS



## PROFESSIONAL DISPENSING FEE SURVEY TOTAL CALCULATION



Profile Information

For identification and explanation of certain costs

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

Does the provider dispense 340B Drug Pricing Program (340B) drugs?

Type of ownership?

Was there a change in pharmacy ownership during the reporting period?

Was the pharmacy open the entire year?

Is one or more of the pharmacists who fill prescriptions at this location also an owner of the store or chain?

How many hours per week is the pharmacy department open? (maximum of 168 hours)

Prescription Statistics

How many were filled by this pharmacy for the following categories during the reporting period?

How many were compounded?

How many were delivered?

Medicaid covered prescriptions

Medicare Parts B, C, and D-covered prescriptions

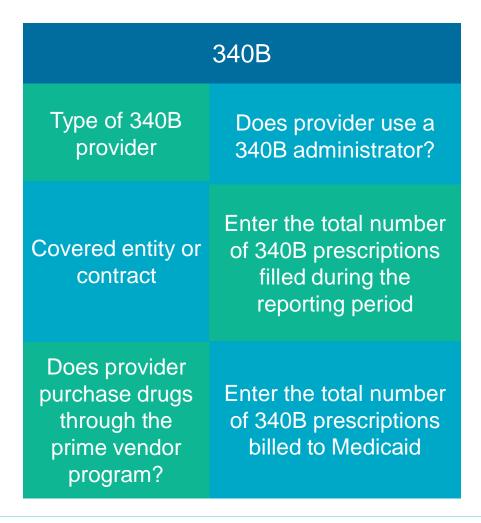
(If available)

All other prescriptions (not Medicaid or Medicare)

How many
Medicaid
prescriptions were
compounded?

How many
Medicaid
prescriptions
were delivered to
members?

340B



Sales and Cost of Goods Sold

Sales (Pharmacy)

Prescription sales other than Over-the-Counter (OTC) dispensed by a pharmacist or 340B sales

OTC sales dispensed by pharmacy department

Sales of drugs purchased through the 340B program

Sales (Non-Pharmacy)

OTC sales dispensed by staff not in pharmacy department

Portion of federal grants attributable to pharmacy, if any

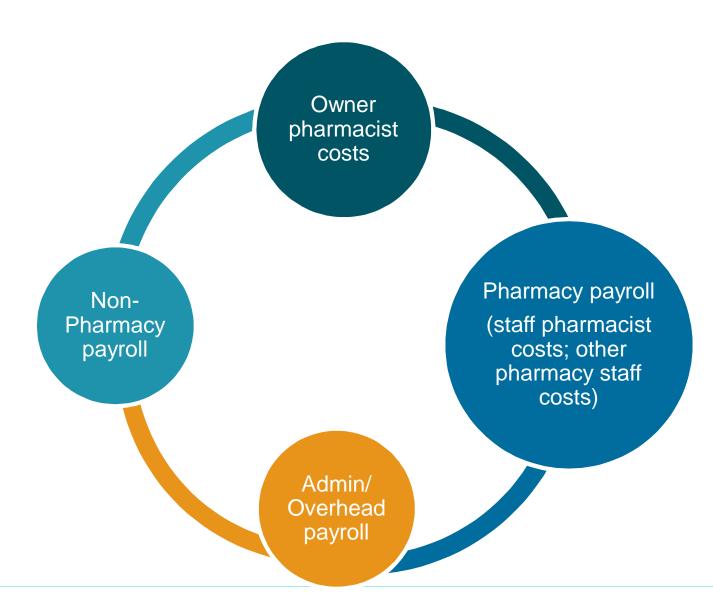
Other sales such as retail sales and HCPCS billed services

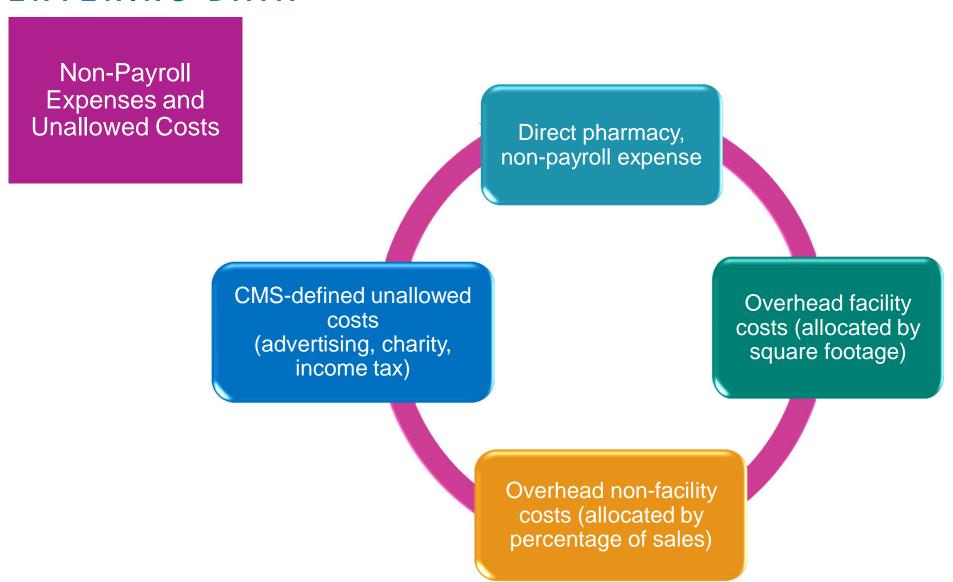
Cost of Goods Sold (COGS)

Pharmaceuticals
Note: This will not
be included in the
dispensing fee
calculation

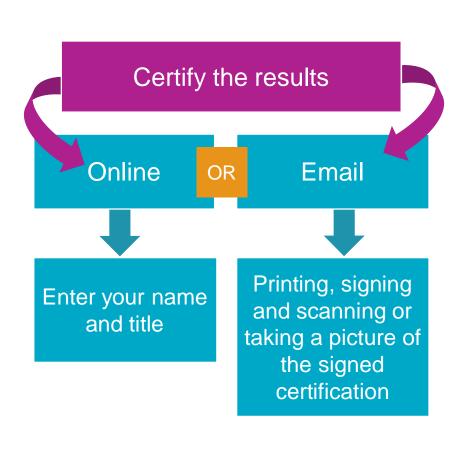
Non-pharmacy COGS

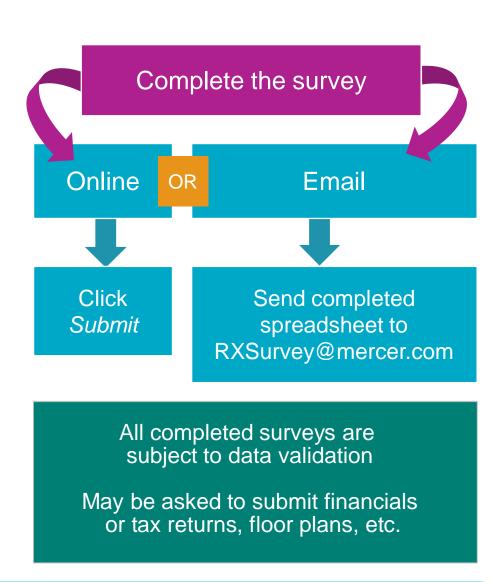
Payroll Expenses



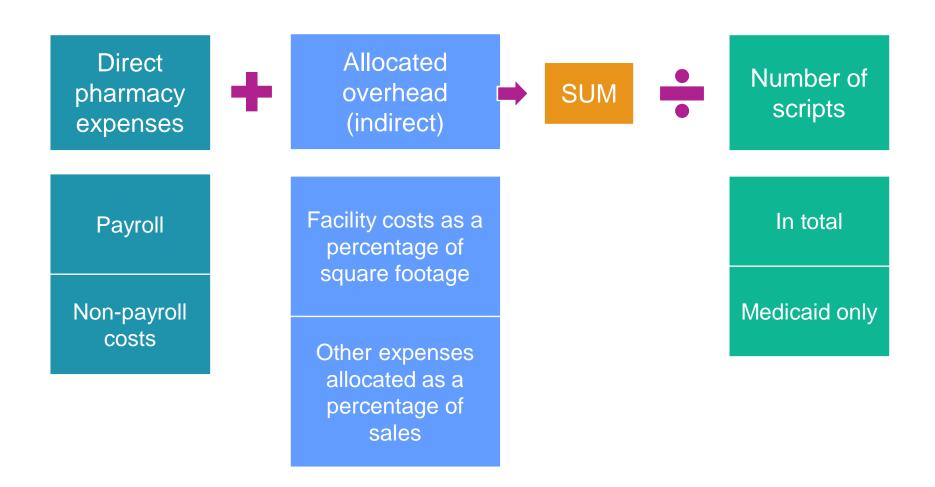


## PROFESSIONAL DISPENSING FEE SURVEY SUBMITTING THE SURVEY





## PROFESSIONAL DISPENSING FEE SURVEY TOTAL CALCULATION



#### PROFESSIONAL DISPENSING FEE SURVEY

#### **WHEN**



The survey collection period is February 17 – March 10, 2017

#### HOW



- Mercer's Oregon survey website at https://ghscapps.mercer.com/sites/ORpharmacy/
- Mercer's survey email box: RXSURVEY@mercer.com



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