

HEALTH WEALTH CAREER

THE OHIO DEPARTMENT OF MEDICAID

PHARMACY STAKEHOLDER
ENGAGEMENT MEETING

September 13, 2016

Presenter

Scott Banken, Mercer



PROFESSIONAL DISPENSING FEE SURVEY

WHY



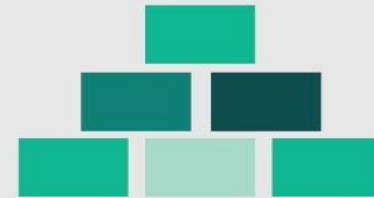
The ODM is conducting a Professional Dispensing Fee survey – required under statute every 2 years

WHO



All Medicaid participating outpatient pharmacies

HOW



Mercer will

- Administer survey
- Conduct statistical analysis
- Produce report for the ODM

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

HOW TO RESPOND

Where is the survey?

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

Online

Username and passwords were mailed Sept. 6

<https://survey.mercer.com/OhioPDFS2016.aspx>

Email RxPDFS@mercercor.com

Standard Excel format, multiple tabs, easiest to understand

One-tab Excel format, flat file format for large chains

PROFESSIONAL DISPENSING FEE SURVEY 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 PROFILE QUESTIONS

- 1 National Provider Identifier (NPI) (10 digits)
- 2 Pharmacy Name
- 3 Street Address
- 4 Street Address (Additional)
- 5 City
- 6 State
- 7 ZIP Code
- 8 County
- 9 Contact Person
- 10 Contact Person Email
- 11 Telephone Number
- 12 Fax Number

PROFESSIONAL DISPENSING FEE SURVEY PROFILE QUESTIONS

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

14 Type of Ownership

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

a Date of Ownership Change (MM/DD/YYYY)

16 Was the pharmacy open the entire year?

a If no, list the number of months the pharmacy was open.

17 Select the appropriate pharmacy type.

18 Select the location type of the pharmacy.

19 How many years has this location been in business as a pharmacy?

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

21 How many hours per week is the pharmacy department open? (Maximum of 168) _____

PROFESSIONAL DISPENSING FEE SURVEY PROFILE QUESTIONS

22 What was the square footage for the following areas at the end of the reporting period?

- a. Prescription area
- b. Non-prescription area
- c. Total square footage (Sum of a. and b.)

Refrigerators used for storing prescription medication may be included in Prescription area square footage.

Prescription area square footage / Total square footage = ratio applied to facility expenses.

PROFESSIONAL DISPENSING FEE SURVEY

ENTERING DATA

Prescription Statistics

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

Medicaid FFS

Medicare FFS (if available)

All other prescriptions (not included above)

How many were delivered?

How many Medicaid prescriptions were delivered to members?

Delivery radius in miles

PROFESSIONAL DISPENSING FEE SURVEY SCRIPT STATISTICS

23 What was the total number of prescriptions filled by this pharmacy for the following categories during the reporting period?

- a. Medicaid fee-for-service prescriptions
- b. Medicare Parts B, C, and D-covered prescriptions (If available)
- c. All other prescriptions (Not Medicaid or Medicare)
- d. Total prescriptions (Sum of a. through c.)

PROFESSIONAL DISPENSING FEE SURVEY SCRIPT STATISTICS

24 How many prescriptions were compounded?

25 How many Medicaid prescriptions were compounded?

26 a. How many prescriptions were delivered outside of the pharmacy to the recipient?

b. How many Medicaid prescriptions were delivered outside of the pharmacy to Medicaid beneficiaries?

c. What is the radius of the delivery area expressed in miles?

27 Is the pharmacy open 24 hours a day?

PROFESSIONAL DISPENSING FEE SURVEY SCRIPT STATISTICS

28 How many prescriptions during the reporting period were dispensed for long-term care (LTC) facilities (By the following dispensing categories)?

- a. Unit dose
- b. Modified unit dose (bingo card/blister packs)
- c. No unit dose dispensing
- d. Traditional packaging
- e. Other method not described above (Explain:_____)"
- f. Total prescriptions dispensed for LTC facilities (Sum of a. through e.)

PROFESSIONAL DISPENSING FEE SURVEY

ENTERING DATA

340B and
Specialty

Specialty	
Sales and Script counts	
Blood Factor	Home Infusion/ Sterile Compound
Other specialty (explain in the <i>Comments</i> section)	

340B	
Type of 340B provider	Does provider use a 340B administrator?
Covered entity or contract	Enter the total number of 340B prescriptions filled during the reporting period
Does provider purchase drugs through the prime vendor program?	Enter the total number of 340B prescriptions billed to Medicaid

PROFESSIONAL DISPENSING FEE SURVEY 340B

29 Type of 340B Pharmacy

30 Covered Entity or Contract

31 Does the pharmacy purchase drugs through the 340B prime vendor program?

32 Does the pharmacy use a 340B administrator?

33 Enter the total number of 340B prescriptions filled during the reporting period.

34 Enter the total number of 340B prescriptions billed to Medicaid.

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PROFESSIONAL DISPENSING FEE SURVEY SPECIALTY

Specialty Drug Script Counts

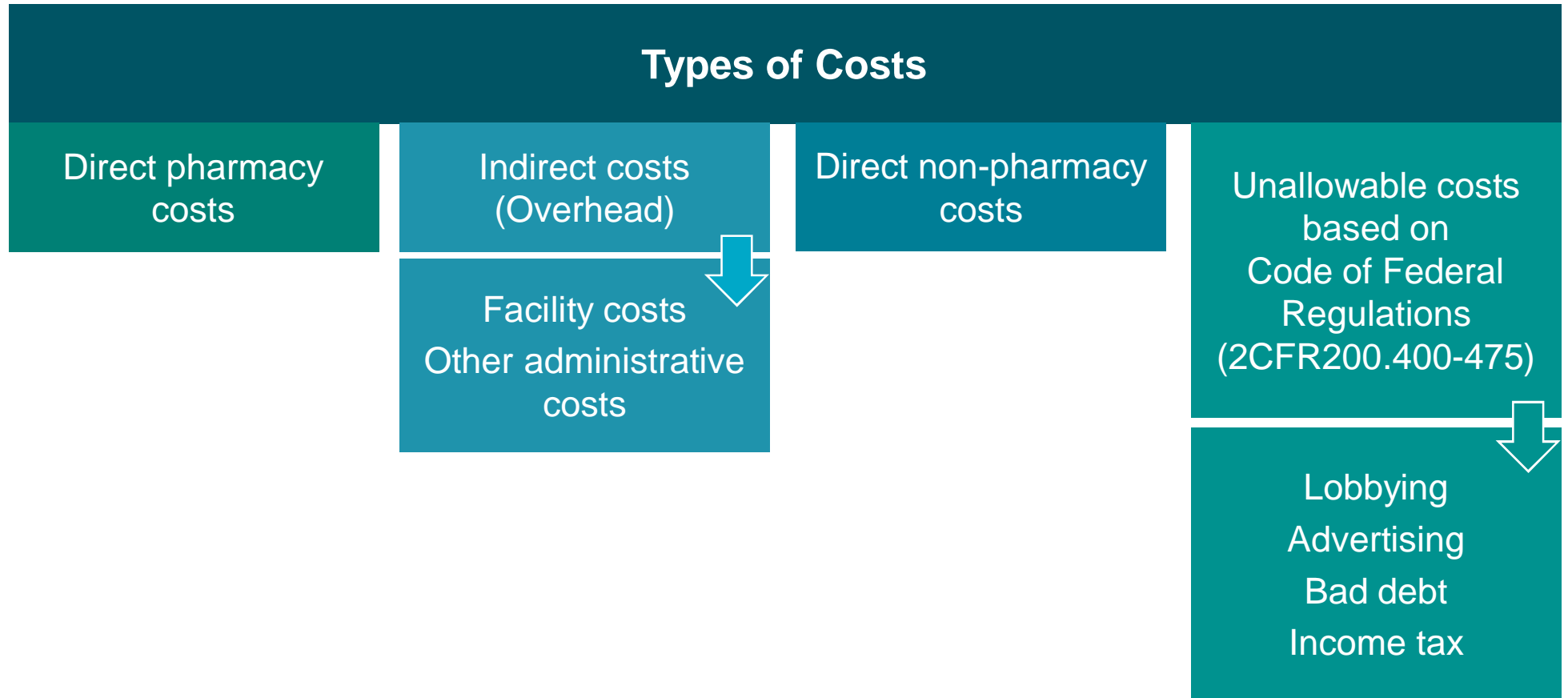
- 35 Home Infusion/Sterile Compounding
- 36 Blood Factor
- 37 All Other Specialty
- 38 Total Specialty Scripts (Sum of 35 through 37)

Specialty Revenue (sales dollars received for Specialty Drugs)

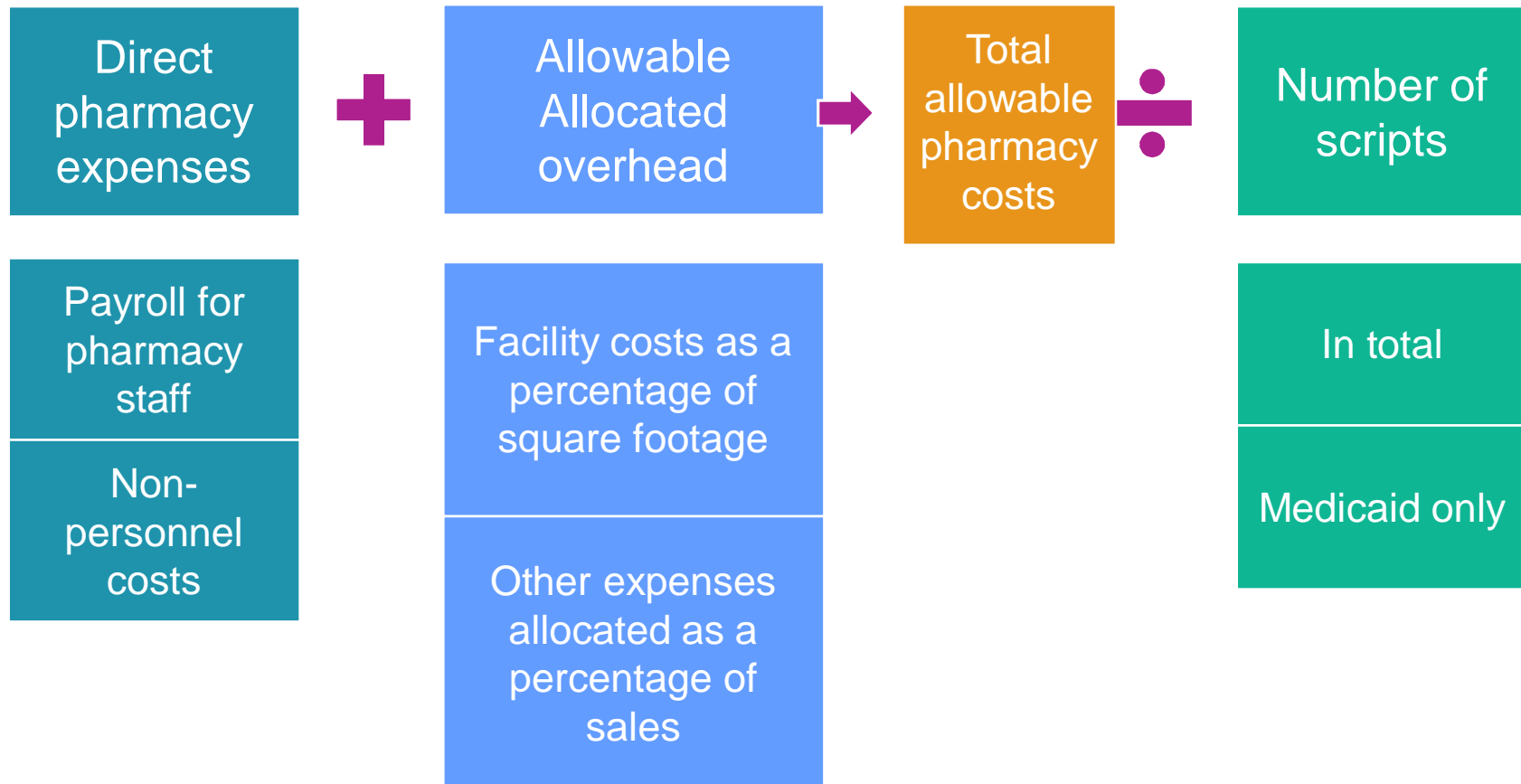
- 39 Home Infusion/Sterile Compounding
- 40 Blood Factor
- 41 All Other Specialty
- 42 Total Specialty Revenue (Sum of 39 through 41)

PROFESSIONAL DISPENSING FEE SURVEY

TYPES OF COSTS



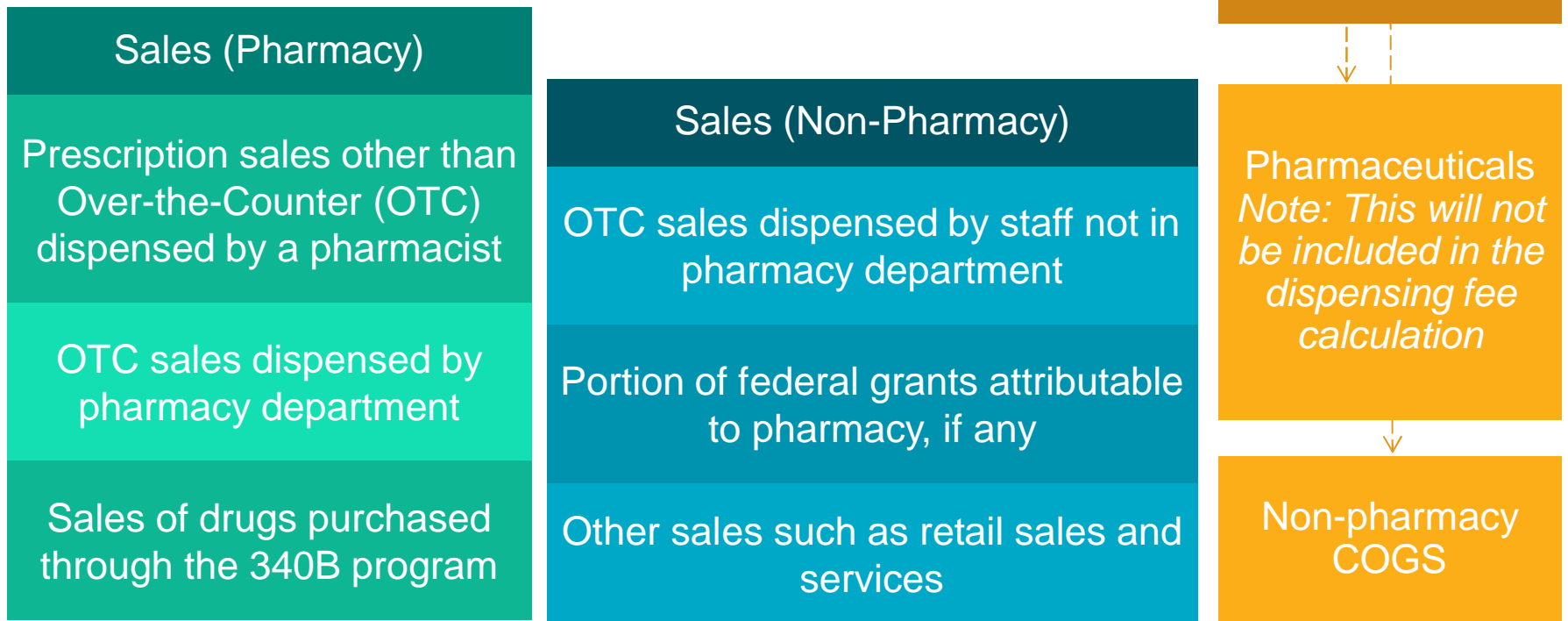
PROFESSIONAL DISPENSING FEE SURVEY TOTAL CALCULATION



PROFESSIONAL DISPENSING FEE SURVEY

ENTERING DATA

Sales and
Cost of
Goods Sold



PROFESSIONAL DISPENSING FEE SURVEY SALES

43 a. Enter beginning date range of financial reports.

b. Enter ending date range of financial reports.

44 What were the sales for the following categories?

a. Prescription sales other than over-the-counter (OTC) dispensed by a pharmacist or 340B sales

b. OTC sales dispensed by pharmacy department

c. OTC sales dispensed by staff not in pharmacy department

d. Sales of drugs purchased through the 340B program

e. Portion of federal grants attributable to pharmacy, if any

f. Professional pharmacy services billed through medical claims

g. Other sales such as retail sales and services

h. Total sales (Sum of a. through g.)

PROFESSIONAL DISPENSING FEE SURVEY

COST OF GOODS SOLD

Not Required

45 a. Cost of goods sold (COGS): pharmaceuticals (Note: This will not be included in the dispensing fee calculation.)

b. Non-pharmacy COGS

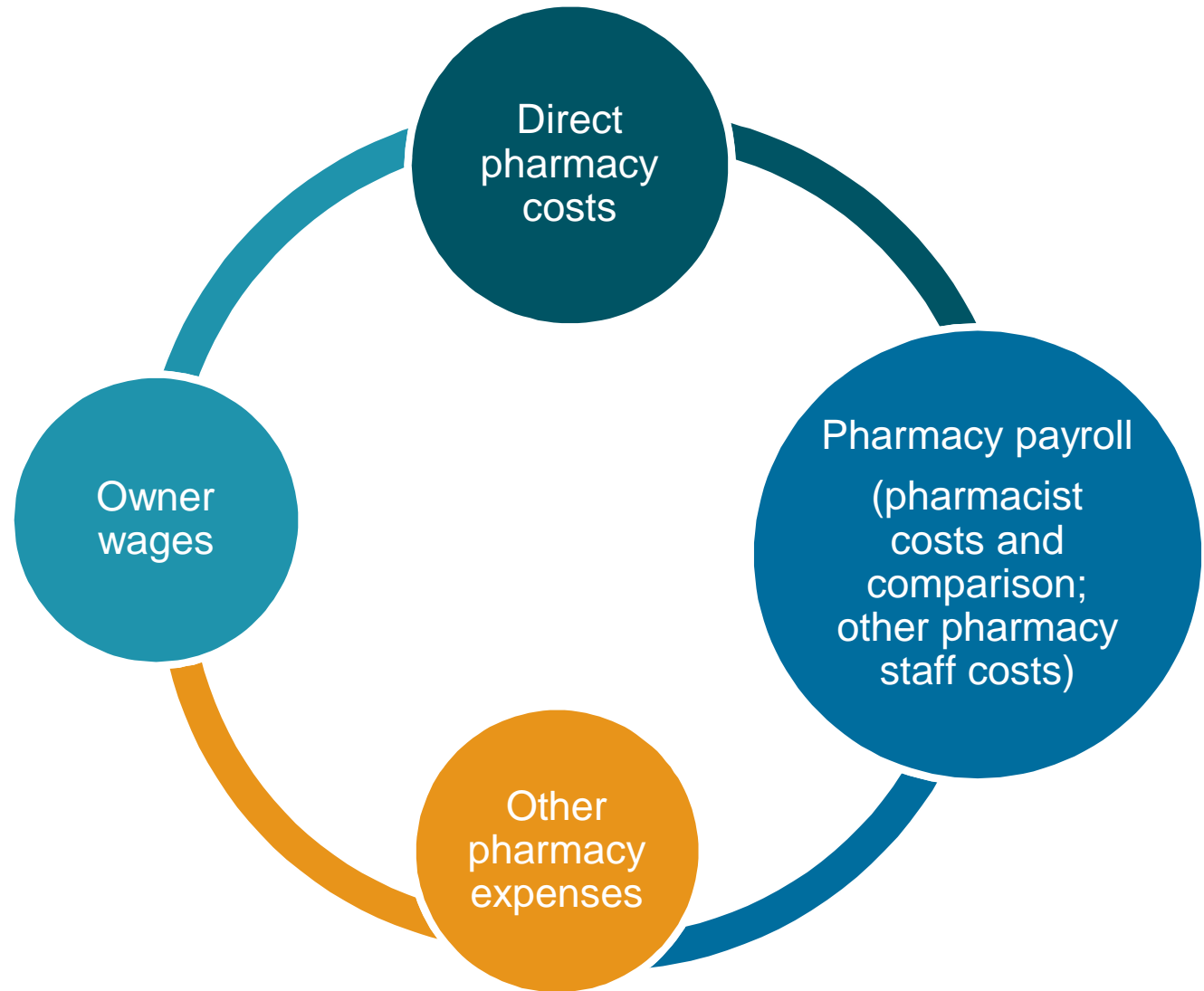
c. Total COGS (Sum of a. and b.)

Can be pulled from tax return

PROFESSIONAL DISPENSING FEE SURVEY

ENTERING DATA

Pharmacy
Department
Expenses



PROFESSIONAL DISPENSING FEE SURVEY PAYROLL - PHARMACY DEPARTMENT

46 Number of Pharmacist Full-Time Equivalents (FTEs)

47 Number of Other Pharmacy Department FTEs (Do not include pharmacist(s) counted in 49.)

Salaries, Wages, Bonuses, and guaranteed payments

48 Pharmacist Manager (Owner)

49 Pharmacist Manager (Non-owner)

50 Staff Pharmacist

51 Technician

52 Other Unlicensed Personnel Working in Pharmacy Department

53 Pharmacy Department Payroll Taxes

54 Pharmacy Department Benefits (Including health insurance and pension/profit sharing/retirement expenses.)

55 Pharmacy Department Payroll (Sum of 48 through 54)

PROFESSIONAL DISPENSING FEE SURVEY PAYROLL – NON-PHARMACY DEPARTMENT

56 Wages, Payroll Taxes, and Benefits for Personnel Directly Attributed to Non-pharmacy Services

57 Wages, Payroll Taxes, and Benefits for Personnel Directly Attributed to Administrative or Shared Services

58 General Employee Expenses Attributable to All Employee Types

59 Non-pharmacy department Payroll (Sum of 56 through 58)

60 Total Payroll Expense (Sum of 55 and 59)

PROFESSIONAL DISPENSING FEE SURVEY PHARMACY DEPARTMENT EXPENDITURES

- 61 Prescription Containers, Labels, and Other Pharmacy Supplies
- 62 Professional Liability Insurance for licensed personnel
- 63 Pharmacy department Licenses, Permits, and Fees
- 64 Dues, Subscriptions, and Continuing Education for the pharmacy department
- 65 Delivery Expenses (Prescription related)
- 66 Expenses for Compounding (Including depreciation on compounding equipment)
- 67 Bad Debts for Prescriptions (Including uncollected copayments)
- 68 Computer Systems Costs Related Only to the pharmacy department (Not including depreciation)
- 69 Depreciation — Directly Related to Pharmacy Department (Including computers, software, and equipment)

PROFESSIONAL DISPENSING FEE SURVEY PHARMACY DEPARTMENT EXPENDITURES

70 Professional Education and Training

71 Inventory Carrying Costs (Including shrinkage due to expiration, theft, or loss inventory)

72 Costs Directly Attributable to 340B

a. 340B program management

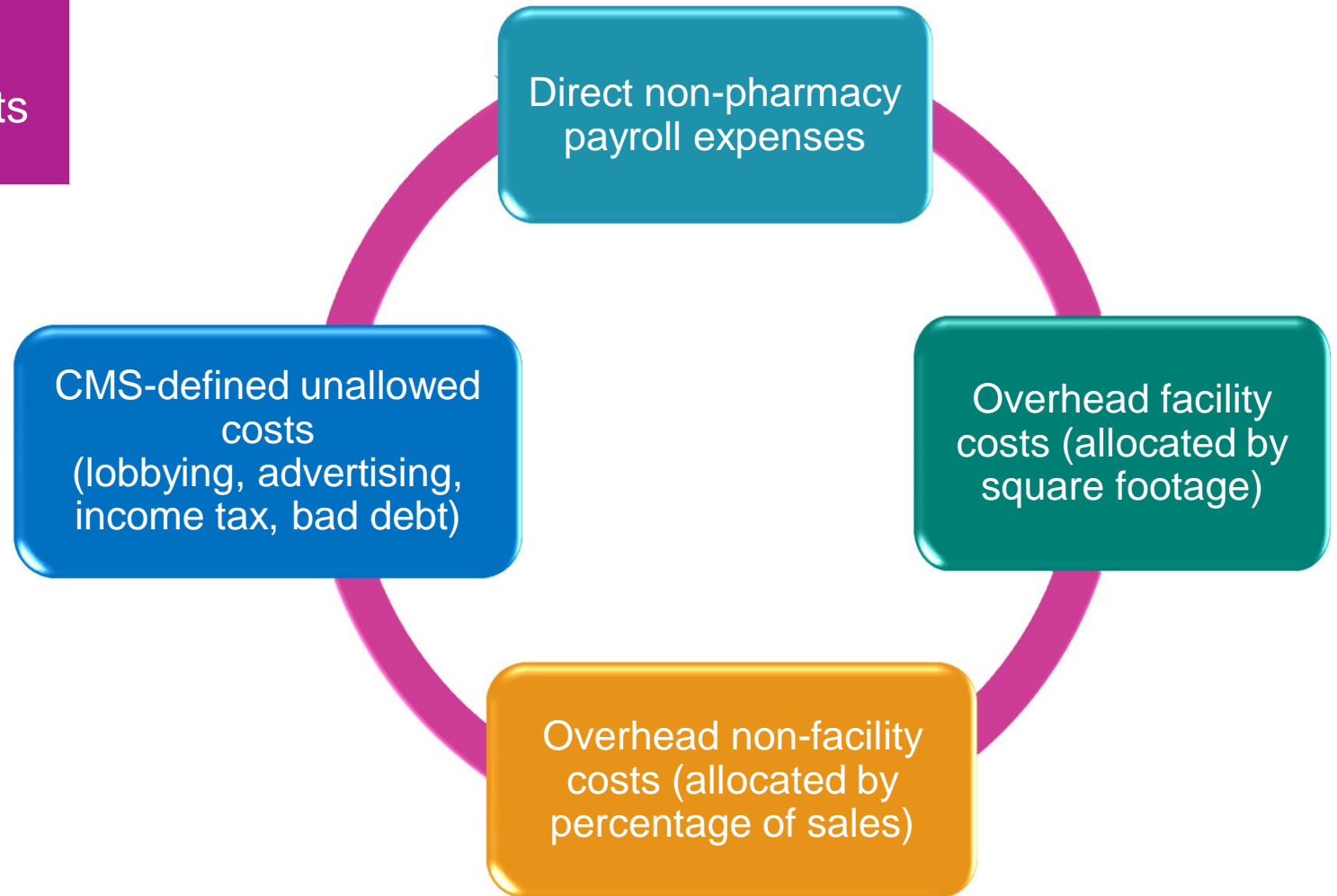
b. Other (List other costs in Comments Section)

73 Other pharmacy department-Specific Costs Not Identified Elsewhere

PROFESSIONAL DISPENSING FEE SURVEY

ENTERING DATA

Non-Pharmacy
Department
Expenses and
Unallowed Costs



PROFESSIONAL DISPENSING FEE SURVEY OVERHEAD – FACILITY

75 Does the provider own the building?

- a. Building Cost Basis (Depreciable amount)
- b. Building Accumulated Depreciation

76 Rent

77 Utilities (Gas, Electric, Water, and Sewer)

78 Real Estate Taxes

79 Facility Insurance

80 Maintenance and Cleaning

81 Depreciation Expense (e.g., Building, Leasehold Improvements, Furniture, and Fixtures)

82 Mortgage Interest

83 Other Facility-Specific Costs not Identified Elsewhere

84 Total Facility Costs (Sum of 76 through 83)

PROFESSIONAL DISPENSING FEE SURVEY OVERHEAD – NON-FACILITY

- 85 Marketing and Advertising
- 86 Professional Services (e.g., Accounting, Legal, Consulting)
- 87 Security Costs
- 88 Telephone and Data Communication
- 89 Transaction Fees/Merchant Fees/Credit Card Fees
- 90 Computer Systems and Support
- 91 Depreciation (Including Equipment, Furniture, Computers)
- 92 Amortization
- 93 Office Supplies
- 94 Other Insurance
- 95 Taxes Other Than Real Estate, Payroll, or Sales

PROFESSIONAL DISPENSING FEE SURVEY OVERHEAD – NON-FACILITY

- 96 Franchise Fees (If applicable)
- 97 Other Interest
- 98 Charitable Contributions
- 99 Corporate Overhead
- 100 Other Costs Not Included Elsewhere
- 101 Total Non-Facility Overhead (Sum of 85 through 100)

PROFESSIONAL DISPENSING FEE SURVEY ENTERING DATA

Upload a tax
return instead

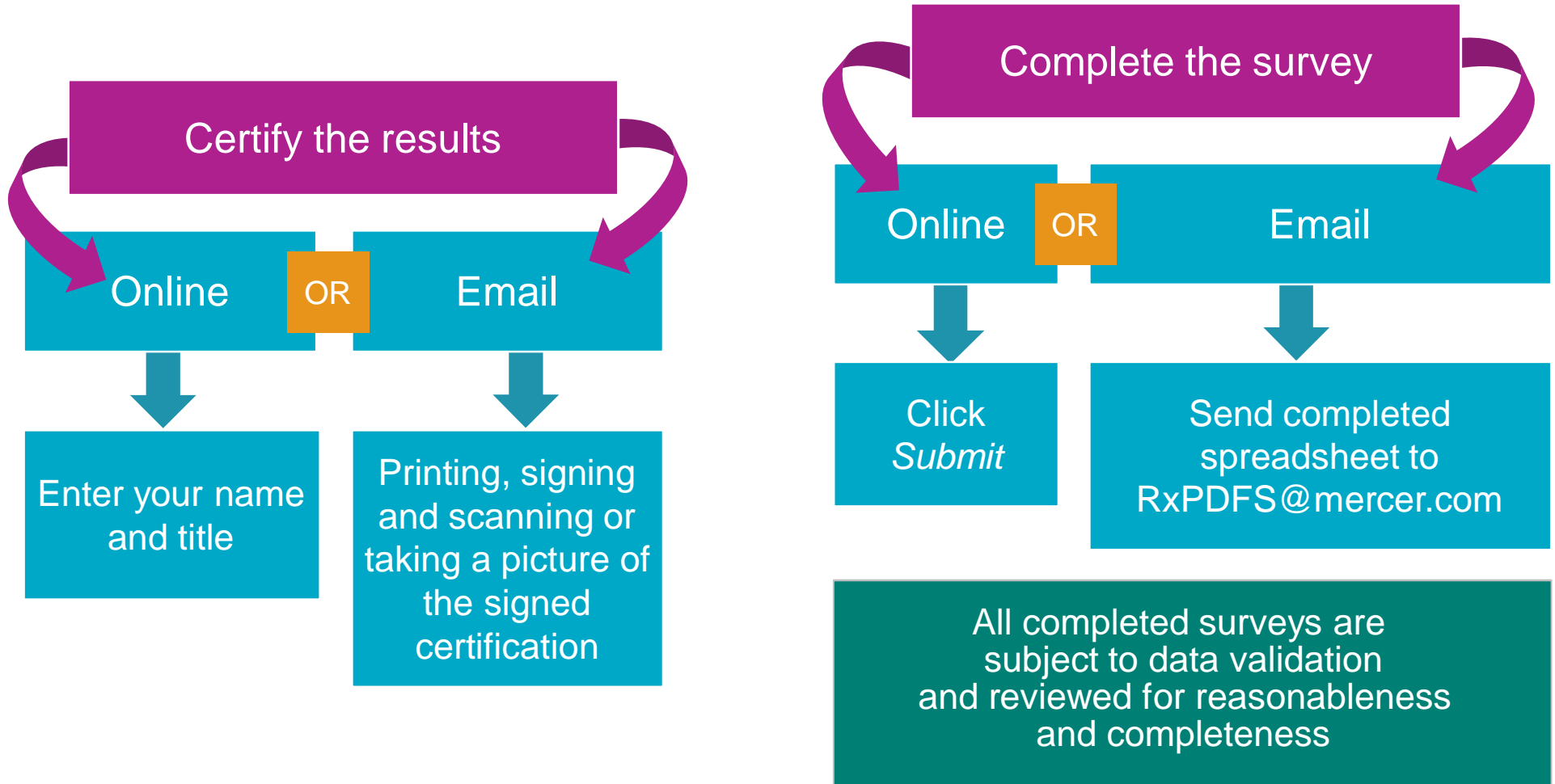
After completing the profile, script counts, specialty, 340B, and payroll questions, you may elect to upload your most recent tax return or full-year financial statement

PROFESSIONAL DISPENSING FEE SURVEY RECONCILIATION

- 103 Total net sales from your financial statements
- 104 Total net sales reported in the survey
- 105 Sales Variance (Please explain in comments)
- 106 Total payroll, payroll taxes, and benefits from your financial statements
- 107 Total payroll reported
- 108 Payroll Variance (Please explain in comments)
- 109 Total expenses from you financial statements
- 110 Total expenses reported
- 111 Total Expense Variance (Please explain in comments)

PROFESSIONAL DISPENSING FEE SURVEY

SUBMITTING THE SURVEY



PROFESSIONAL DISPENSING FEE AND ACTUAL ACQUISITION COST SURVEYS

WHEN



HOW



- The survey collection period: September 7 – September 28
- Online at <https://survey.mercer.com/OhioPDFS2016.aspx>
- Email to RxPDFS@mercerc.com
- Data review and follow-up questions: Upon receipt – October 14

PROFESSIONAL DISPENSING FEE AND ACTUAL ACQUISITION COST SURVEYS SURVEY WEBSITE

Mercer's website for the ODM survey activities



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

Website details



Details and instructions for the surveys

Link for direct access to Mercer's dispensing fee survey tool

Downloadable templates for survey submission

Questions and survey support



RxPDFS@mercer.com

1 (877) 854-6776



QUESTIONS

MAKE



**TOMORROW,
TODAY**