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White House Seeks Feedback on Ideas to Lower Drug Prices and Out-of-Pocket Spending

Many of the suggestions have been offered in other ways throughout the past decade, and AMCP has advocated for several of them

The White House last week released a <u>request for information</u> on ways to lower prescription drug costs for Americans. The request, which is part of the Trump Administration's overall <u>Blueprint to Lower Drug</u> <u>Prices and Out-of-Pocket Spending Costs</u>, includes dozens of suggestions and policy proposals on how stakeholders throughout the health care system can address the issue.

Following President Trump's May 11 speech launching the initiative, AMCP CEO Susan A. Cantrell, RPh, CAE issued a <u>statement</u>: "AMCP applauds the Administration for addressing the rising cost of pharmaceuticals. This is an area in which AMCP has been proactively developing solutions to ensure patient access to affordable medications."

Many of the suggestions have been offered in other ways throughout the past decade, and AMCP has advocated for several of them, including initiatives to spur generic and biosimilar market competition; allowing plans more flexibility in managing the Medicare Part D drug benefit; shifting Part B drugs to Part D; and increasing the use of value-based contracting.

The Blueprint also includes provisions to change pharmacy benefit management and health plan practices of negotiating and obtaining rebates. One new suggestion would require pharmaceutical companies to provide pricing information in direct-to-consumer advertisements. The Blueprint did not contain provisions for HHS to negotiate pharmaceutical prices under Part D, or import medications from Canada or other countries.

In a May 11 briefing, HHS Sec. Alex Azar highlighted various proposals under consideration, including a plan to reform the six protected classes in Part D. He noted the mandatory coverage of these products limits the ability of Part D sponsors to negotiate prices. But Azar also promised a "transparent reform" of the protected classes provisions, so as not to impact patient access to these products.

Overall, the Blueprint provides few details on the exact mechanism that would implement most provisions. AMCP is disappointed the Blueprint didn't request input on the ability for pharmaceutical manufacturers to communicate with payers prior to FDA approval, but AMCP will include the suggestion in its comments.

In addition, as part of the push to lower drug costs, the FDA said it will launch a website to bring more transparency on companies that adopt tactics, such as REMS abuses, to delay market entry of generics and biosimilars. CMS also announced on May 15 that it has updated its pricing dashboard to provide consumers with more specific information about availability of more affordable prescription products.

WEBINAR: AMCP will review the provisions in more detail in a webinar on Monday, May 21 titled American Patients First - Understanding the President's Blueprint & the Implications to Managed Care Pharmacy at 2 pm EDT. Registration is free to AMCP members and \$69 for non-members. To register, please <u>visit here</u>.



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Federal Legislative Update

Congress Set to Recess for Memorial Day

Congress is scheduled to go on recess soon for Memorial Day. The House recess is scheduled for May 24 to June 5, and the Senate recess is set for May 25 to June 4.

Update on Opioid Legislation

Despite stated plans to "move" opioid legislation to a Floor vote by the end of May, that goal is looking increasingly unlikely with only six working days on the House and Senate calendars until the Memorial Day recess. Nevertheless, the House in particular has been busy considering dozens of opioid-related bills. Among recent developments, the House Energy and Commerce Committee on May 9 approved 25 opioid related bills, and has scheduled a second hearing on May 17 to consider 33 additional bills. Many of the bills were "dual referred" to the House Ways and Means Committee, so the bills must still be considered by that Committee. Ultimately, the effort to move legislation to the House Floor for final votes before the Memorial Day recess does not appear to be on target. AMCP has sent letters of support for several of the bills under consideration: <u>H.R. 4841</u> – Standardizing Electronic Prior Authorization for Safe Prescribing Act, and <u>H.R. 3528</u> – Every Advocacy Tip

Talk to friends, family, and coworkers about your advocacy efforts. One of these interactions may lead you to a connection to a legislator, or additional personal stories to share in your advocacy efforts, with of course, their permission to share. Sharing what you are passionate about or interested in to influence public policy may also encourage them to take action as well. Prescription Conveyed Securely Act; H.R. 4275 – Empowering Pharmacists in the Fight Against Opioid Abuse and H.R. 4841. In addition, H.R. 3545 – the Overdose Prevention and Patient Safety Act, supported by AMCP and the Partnership to Amend 42 CFR Part 2 (to allow substance use disorder records to fall under HIPAA consent provisions) has been "reintroduced" as H.R. 5795 with Rep. Earl Blumenauer (D-OR) as the lead sponsor.

State Legislative and Advocacy Activity

Activity in State Capitals

By the end of May, only 11 of the 46 state legislatures and Washington, D.C, will still be in regular session. The overarching health care themes this session were drug pricing transparency, and legislation limiting the impact of the opioid epidemic, which garnered a wide range of proposals from across the country.

Biosimilars: Alaska, Connecticut, New Hampshire and Vermont have passed legislation in both chambers but are still waiting for their governor's signature. Biologics language was added in an amendment to a drug pricing bill in New Hampshire, while the bills in Connecticut and Vermont included biosimilars substitution in conjunction with provisions on price transparency. AMCP continues to advocate for allowing pharmacists to dispense interchangeable biosimilar products without additional administrative reporting requirements and that the FDA Purple Book be recognized as the authority for information on this drug category and not the FDA Orange Book. You can follow biosimilar legislative <u>activity here</u>.

Grassroots Activity: Add Your Voice

Illinois: AMCP initiated a state specific grassroots advocacy campaign in Illinois urging members to contact their state senator to vote no on House Bill 4146. This legislation prevents formulary changes during an enrollee's plan year such as increasing cost sharing and moving medications to a more restrictive formulary tier. AMCP had an earlier campaign for members to contact their Illinois state representative on this same legislation. The state Senate committee postponed the hearing, so there is still time for members in Illinois to submit a letter in opposition by following the link<u>here</u>.

2018 Grassroots Advocacy Award Winners

AMCP is delighted to recognize two individuals who have made significant progress around a grassroots cause in its annual Grassroots Advocacy Award. This year's recipients are Penny Surratt and Katherine (Kat) Wolf Khachatourian.

> **Penny Surratt, RN, MBA**, is Senior Director of Trade Relations at ReCept Healthcare Services. She has 34 years of health care experience in many diverse roles, including as a



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Heart/Lung Transplant Coordinator and Cardiovascular Staff researcher at the University of Texas Southwestern Medical School. In addition, she has worked for Hoffmann LaRoche as a National Accounts Manager, and for Bristol Myers Squibb as a Hospital Account Manager for a combined total of 18 years. In 2010, Penny joined the PBM team at Humana Inc. to help

build a new business line of specialty pharmacy. For the past twoand-a-half years she has led ReCept Healthcare Services' Trade Relations for specialty pharmacies. Penny joined AMCP in 1999 as a Corporate Pharmaceutical Member. At AMCP she has served as an officer for the Southwest Affiliate Chapter, a Special Projects Committee Member, a LRAC Committee Member, a State Advocacy Coordinator, on the Biosimilars Task Force, the Healthcare Practitioner Task Force, a Student Pharmacist P&T Competition judge, a Lobby Days Participant, a Conference Volunteer and Moderator.



Katherine (Kat) Wolf Khachatourian, PharmD, MBA, is Vice President of Pharmacy Services, Strategy, and Delegation Oversight for Qualchoice Health Plan Services, Inc., overseeing multiple regional Medicare contracts and their delegated entities. In her current role, Kat is tasked with clinical management decision making, quality program development, strategy

deployment, contracting decisions, and delegated function compliance for all Medicare Advantage contracts within her organization. After receiving her Doctorate of Pharmacy from Mercer University, she completed her Managed Care Pharmacy Practice residency with Group Health Cooperative in Seattle. She also completed her Master of Business Administration (MBA) at the University of Washington in June 2017. Kat serves as a mentor for the University of Washington AMCP studen chapter. Her other AMCP activities include serving as a committee member, a Washington State Advocacy Coordinator, and participant in the Pharmaceutical Information (PIE) Act development and Congressional briefings. In 2017, Kat received a four-year appointment to the Washington (WA) State Pharmacy Quality Assurance Commission. She was the 2017 recipient of the AMCP Individual Contribution Award.

AMCP Policy Positions

AMCP Approves Policies on e-Prescribing, Opioids, Value-Based Contracting

During its April Board meeting, the AMCP Board of Directors approved policy revisions concerning the electronic exchange of e-

prescribing information (Policy 0114) and management of opioids (Policy 1306). AMCP will now support mandatory e-prescribing including for controlled substances. In addition, the Board approved a new policy statement on Value-Based Contracting (1801). For more information on these policies, go to the <u>AMCP Policy Digest</u>.

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