



Single Pharmacy Benefit Manager (SPBM) Stakeholder Webinar from June 17, 2022, Frequently Asked Questions

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How will the SPBM dispensing fee be determined?

Dispensing fees are being determined through a fiscal analysis performed by the Pharmacy Pricing and Audit Consultant (PPAC) vendor, Myers and Stauffer. ODM is also utilizing the most recent Cost of Dispensing survey, as well as data from the current managed care plans, to set dispensing fees. While dispensing fees will not mirror the Fee-For-Service Professional Dispensing Fee due to differences in methodology, they will be based on several variables, such as the prescription volume of the pharmacy, Medicaid volume, and/or type of pharmacy (e.g., specialty). This will be discussed in more detail during the reimbursement meeting planned for May.

The SPBM dispensing fee is determined utilizing a tiered structure. The scoring methodology is based on the two components listed below with the total score being the sum of the two components.

Component 1: Total pharmacy script volume, annual

- » 75,000 prescriptions or greater: 1 point
- » 50,000 – 74,999 prescriptions: 2 points
- » < 50,000 prescriptions: 3 points
- » No data: 0 points

Component 2: Ohio Medicaid volume, as a proportion of total pharmacy script volume

- » Upper 1/3 of all pharmacies (current: $\geq 23.2\%$): 6 points
- » Middle 1/3 of all pharmacies (current: $\geq 11.5\%$): 4 points
- » Lowest 1/3 of all pharmacies (current: less than 11.5%): 2 points
- » No data: 0 points

Tier A: 0-5 points; \$7.64 per claim

Tier B: 6-7 points; \$8.75 per claim

Tier C: 8-9 points; \$10.50 per claim

Additionally, there are three ways a pharmacy can automatically achieve a Tier C designation. They are as follows (must meet at least 1 of the below criteria):

- The pharmacy is designated as a specialty pharmacy per the Ohio Board of Pharmacy roster.
- More than 5% of the pharmacy's claims are ODM-defined specialty medications.
- More than 46.4% of the pharmacy's script volume is for Ohio Medicaid claims.

For specialty medications, the dispensing fee will be the base tier dispensing fee plus \$46.25.

For clotting factors, the dispensing fee will be the base tier dispensing fee plus \$400.

How often will the dispensing fee tiers be updated?

Scheduled annual redeterminations will occur in December. A re-analysis of volume data, cost of dispensing survey data (during even-numbered years), and Ohio Medicaid claims ratios for the prior year will occur at this time. Updated dispensing fees will become effective in January each year.

Where can I get more information about ingredient costs?

The initial Ohio Actual Acquisition Cost (OAAC) rates calculated from the April 2022 survey were posted on June 17 and are available here. The information is available in Excel file format and broken out by National Drug Code level to provide pharmacies with a preview of the rates prior to go-live to perform fiscal modeling.

Can a pharmacy request a redetermination of its dispensing fee tier if it feels it is not correct?

Yes, a pharmacy can contact the Ohio Department of Medicaid (ODM) at MedicaidSPBM@medicaid.ohio.gov to seek a redetermination of their tier at any time, with justification. Adjustments made will be prospective.

Can a pharmacy request a redetermination of an OAAC rate if it feels it is not correct?

Yes, a pharmacy can contact Myers & Stauffer at OHPharmacy@mslc.com to seek a redetermination of an OAAC rate.

How will a new pharmacy's dispensing fee be determined?

New providers will be reimbursed at Tier A (\$7.64 per claim). However, they can have their dispensing fee redetermined after having one month of claims data, as well as an attestation of total volume and the Ohio Medicaid percentage. Changes in these cases will be prospective. Please reach out to MedicaidSPBM@medicaid.ohio.gov for redetermination requests.

If an OAAC rate update is needed, will the pharmacy be retroactively reimbursed?

For OAAC rates, these may be applied retroactively, dependent on the effective date of the change. Providers will be required to resubmit the transaction to capture the newly updated rate. Please reach out to OHPharmacy@mslc.com for OAAC rate redetermination requests.

How will compounds be reimbursed?

Compounds will be reimbursed similarly to brand and generic non-specialty pharmaceuticals.

Are these ingredient cost and dispensing fee terms set in stone or can we negotiate them individually with Gainwell?

In keeping with the program goals of fairness, accountability, and transparency, all providers must be reimbursed under identical reimbursement methodologies. Rates will not be negotiated individually with Gainwell.

Will this year's forthcoming cost of dispensing survey impact the SPBM dispensing fee or the fee-for-service dispensing fee?

ODM and PPAC utilize the Cost of Dispensing Survey data to assist in informing SPBM dispensing fee rates, in addition to the FFS professional dispensing fee. When significant changes in the cost of dispensing are proven, the SPBM dispensing fees may also be adjusted.

Will 340B providers be required to participate in the cost of dispensing survey?

OAC 5160-9-01 details the cost of dispensing fee survey process. Medicaid providers are required to participate if they are a pharmacy provider, hospital provider, or clinic. For definitions of these terms, see the rule [here](#).

When will I receive the provider manual?

The provider manual is available and can be found under the provider tab [here](#).

How fast can we generally expect Gainwell to pay claims?

Gainwell claims will be paid on a weekly payment cycle. While federal law requires claims payment for clean claims within 90 days, nearly all the claims can and will be processed much more quickly.

Will I be penalized if I choose not to contract with Gainwell?

No. Providers who choose not to contract with Gainwell will not be penalized but will no longer be able to participate in the Medicaid managed care pharmacy program.

Is there any more information about the value-based component mentioned early in the slides?

Value-based dispensing fees/incentives will not be implemented at go-live. These payment arrangements, when implemented, will be supplemental to this base dispensing fee.

Do you have to be designated as a specialty pharmacy with the state to be able to bill and dispense specialty medications?

To bill and dispense specialty medications, a pharmacy must contract with SPBM and possess the required specialty pharmacy accreditation. Additionally, the pharmacy must attest to the Gainwell specialty network criteria as outlined in the Gainwell Pharmacy Network Agreement.

When will the specialty drug list be available?

The specialty drug list is posted [here](#).

How will provider-administered drugs such as infusion therapy, long-acting anti-psychotic injectables, birth control and other administered pharmaceuticals be handled under the new SPBM?

In response to public comments received for proposed rule OAC 5160-26-13, ODM has updated the draft rule. All pharmaceuticals dispensed by a pharmacy provider (provider type 70) will be billed to ODM's SPBM.