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Health Care Coalition Sends CMS Letter on Long-Term Care Short Cycle Dispensing Rule Concerns and Possible Remedies

ALEXANDRIA, Va. (March 24, 2011) – Twenty leading health care groups, including the National Community Pharmacists Association (NCPA), have sent a letter (http://www.ncpanet.org/pdf/leg/mar11/alt_dispensing_letter_cms.pdf) to the Centers for Medicare and Medicaid Services (CMS) about the proposed Medicare Part D long term care (LTC) “short cycle” rule, which would require dispensing certain prescription medications in 7-day supplies (or less) rather than the traditional 30-day supply.

“Industry shares CMS’s interest in reducing waste in the provision of pharmaceuticals,” the letter states. “Pharmacies currently utilize a number of different techniques in an attempt to achieve this goal, including the use of shorter dispensing cycles for a limited number of expensive medications, automated dispensing systems, and drug take-back and credit programs. However, the relative costs and effectiveness of these techniques in reducing waste have not been adequately studied or reported in peer-reviewed literature.”

In fact, the letter reveals that CMS derives its cost estimates from “one unpublished survey done by a single pharmacy using expensive and proprietary techniques. Further, these data showed savings in drug costs only with considering the *actual* cost of dispensing an additional three or more times per month.”

The letter requests that, “CMS postpone its implementation for 7-day-or-less dispensing (using authority granted by the implementing statute to allow the effective date to be for plan years beginning on *or after* January 1, 2012) while conducting a proper analysis of the rule’s true costs by using a comprehensive study or pilot of realistic dispensing options.”

The other signatories, who along with NCPA “represent the vast majority of providers for critical long-term care services in this country”, were the Academy of Managed Care Pharmacy, AMDA-Dedicated to Long-Term Care Medicine, American Health Association, American Pharmacists Association, American Society of Consultant Pharmacists, AmerisourceBergen Corporation, Gerimed Inc., Innovatix, LeadingAge, Long Term Care Pharmacy Alliance, Managed Health Care Associates Inc., National Alliance of State Pharmacy Associations, National Association of Directors of Nursing Administration/LTC Inc., National Council for Prescription Drug Programs, New Jersey Association of Long Term Care Pharmacy Providers, Omnicare Inc., PharMerica Corporation, and RetireSafe.

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The National Community Pharmacists Association (NCPA®) represents the interests of America's community pharmacists, including the owners of more than 23,000 independent community pharmacies, pharmacy franchises, and chains. Together they represent a \$93 billion health-care marketplace, have more than 315,000 employees including 62,400 pharmacists, and dispense over 41% of all retail prescriptions. To learn more go to www.ncpanet.org or read NCPA's blog, The Dose, at <http://ncpanet.wordpress.com>.