



Accurate. Timely. Answers.

KEEPING TABS

Absolute Pharmacy is the prescription for what ails you.

In each quarterly edition, you'll find the latest news about pharmacy, new medications, technology and more – all through the lens of what is pertinent to the long-term care (LTC) industry.

Absolute Pharmacy has been serving the LTC industry since 1994. We're a part of a dynamic circle of care that consists of rehabilitation, home health care services, hospice care and much more. We have a rich perspective, and we're thrilled to share what we've been learning from industry leaders, our employees and our customers – you!

We are confident you'll find the information useful. If you have a suggestion for a topic you'd like to learn about, let us know at maryjo.mcelyea@abshealth.com.

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What's New for Ohio's 2016 Medicare Part D Prescription Drug Plans

Ohio 2016 Medicare Part D premium increases and decreases:

Of the 27 Medicare Part D plans available in Ohio for 2016, seven plans will lower their premiums and 19 will increase their premiums. Currently, 66% of Ohio residents enrolled in a stand-alone Medicare Part D plan are enrolled in one of the 19 plans with a premium increase. The average premium increase for members of these plans will be \$8.49.

The 2016 average monthly Medicare Part D premium in Ohio will increase:

The average monthly premium discussed above considers all Medicare Part D plans equally. Perhaps a more telling average is the weighted average — that is, looking at each plan's monthly premium weighted by the number of people enrolled in that particular plan. Based on the weighted average, Ohio residents can expect to see a 13% increase in their monthly premiums. This means that if everyone stays in their current 2015 prescription drug plan through 2016, across the state we can expect beneficiaries to pay 13% more for their monthly premium.

As a reference, the national average monthly Medicare Part D premium will increase from \$53.14 in 2015 to \$53.83 in 2016. Based on the 2015 enrollment figures, 77.7% of Medicare Part D beneficiaries nationwide (over 15 million people) could experience an average increase in premium of \$7.4, unless they switch to a lower priced plan.

What's New for Pennsylvania's 2016 Medicare Part D Prescription Drug Plans

Pennsylvania 2016 Medicare Part D premium increases and decreases: Of the 27 Medicare Part D plans available in Pennsylvania for 2016, five plans will lower their premiums and 18 will increase their premiums. Currently, 62.3% of Pennsylvania residents enrolled in a stand-alone Medicare Part D plan are enrolled in one of the 18 plans with a premium increase. The average premium increase for members of these plans will be \$6.80.

The 2016 average monthly Medicare Part D premium in Pennsylvania will increase:

Overall, the average monthly 2016 prescription drug plan premiums in Pennsylvania will increase 0.24%, from a 2015 average monthly premium of \$58.94 to a 2016 average Part D plan premium of \$59.18.

The average monthly premium discussed above considers all Medicare Part D plans equally. Perhaps a more telling average is the weighted average — that is, looking at each plan's monthly premium weighted by the number of people enrolled in that particular plan. Based on the weighted average, Pennsylvania residents can expect to see a 9% increase in their monthly premiums. This means that if everyone stays in their current 2015 prescription drug plan through 2016, across the state we can expect beneficiaries to pay 9% more for their monthly premium.

As a reference, the national average monthly Medicare Part D premium will increase from \$53.14 in 2015 to \$53.83 in 2016. Based on the 2015 enrollment figures, 77.7% of Medicare Part D beneficiaries nationwide (over 15 million people) could experience an average increase in premium of \$7.4, unless they switch to a lower priced plan.

Article courtesy of: http://www.q1medicare.com/PartD-2016MedicarePartD-StatisticsTextprint.php?crit=OH&utm_source=partd&utm_medium=pdfstats&utm_campaign=printlink

Provider Enrollment Requirements For Writing Prescriptions For Medicare Part D Drugs

By Jodi Hull, VP of Billing

In an effort to reduce fraud, waste and abuse, CMS is introducing additional tools and has implemented changes to improve the integrity of the Part D prescription drug plan program. ALL physicians and other eligible professionals who write prescriptions for Part D drugs must be enrolled in an approved status or have a valid opt-out affidavit on file for their prescriptions to be covered under Part D.

CMS announced a delay in the final rule until June 1, 2016, asking that applications or opt-out affidavits be filed by Jan. 1, 2016 to allow processing time. If the physician does not have the proper paperwork on file as of June 1, their patients' prescription drug claims will be denied and unable to be paid by any Part D plan.

Absolute Pharmacy Head Interviewed on LTC Changes

Absolute Pharmacy COO, Kevin Fearon, was recently interviewed for Computer Talk, an online forum for pharmacists. Kevin discussed the challenges and opportunities of maintaining continuity of care in an LTC environment where government cost control measures have caused patients to be more transient than ever before.



Kevin Fearon, R.Ph.; COO, Absolute Pharmacy
North Canton, Ohio. Family-owned pharmacy serving skilled-nursing and assisted-living facilities.

Long-Term Care Pharmacy: The Forces Driving Its Evolution

By Will Lockwood

There's a great deal that's changed in the long-term care (LTC) market in the past few years, and there's more change happening now. These forces are driving a transition away from manual processes, which is visible both in the automation applied to filling prescriptions and in the critical communications links between pharmacy and facility.

A CHANGING MARKET

There have been significant changes brought on as waves of economic challenges hit LTC facilities. Kevin Fearon points out that the states and Medicare are looking at ways to control costs, particularly in the skilled-nursing market. The end result of this has been a much more transient patient base, Fearon explains. "We aren't seeing placement homes any more," he says, meaning an older model of care where residents entered to age in place. "Instead, we're seeing patients come in who are recovering from a stroke, a surgery, or some other significant health event, and they are there for a short stay to transition back home or to an alternative setting. The amount of drug supply, how quickly they need the drugs, the level of acuity of the patient, it's all much more demanding and much more centered on how you can do this efficiently and at the lowest cost possible."

Add to this the rise of accountable care organizations (ACOs) and bundled payments, and Fearon points to a real need for pharmacies to develop processes and tools that support continuity of care across a range of settings. "Typically in today's market," explains Fearon, "when a patient leaves the skilled setting, there's a handoff to another pharmacy, to a home care agency, or some other entity for care. There is an opportunity, though, for us to adapt and extend our resources and reshape our business models so that we can offer more continuity of care and follow the patient as he moves to a different care setting."

This is easier said than done. Fearon points to the need for pharmacy technology to evolve to handle these transitions seamlessly. The old way of depending on paper and fax machines needs to transition into electronic channels so that information is not just moving point to point among the different providers of care, but is instead seamlessly available to

pharmacies, nursing homes, doctors, and insurance companies as needed. “How do you get this information moving and in a way that all the different systems within the long-term care environment can make use of it?” says Fearon. “Everybody is attempting to digest that.”

This is something that Jason Jung is seeing, too. “We’ve been moving toward cognitive services and areas where the pharmacist’s knowledge can add value to care,” he says. “I really see a lot of opportunities for pharmacies that are fast and nimble in responding to these market trends.”

AUTOMATION CONTINUES TO DRIVE CHANGE

LTC pharmacy, of course, remains a production environment, where dispensing and delivering medication doses is as critical as it has ever been. Fortunately, dispensing automation — and packaging functionality in particular — has been evolving rapidly to meet these challenges.

Kevin Fearon, whose Absolute Pharmacy uses MTS’s On Demand Accuflex automation for single-dose blister packaging, has seen the software powering automation become more flexible and the automation evolve to have greater capabilities for packaging in different formats. “As barcoding became more accurate,” Fearon says, “you could be certain that the automation was putting the right drug into the right package. That has evolved to where we now have the ability to label the packages by day or by hour of day to whatever level of detail you desire.” Fearon’s automation also allows him to sort packages by batch, time, facility or patient.

The range of choice in packaging automation has also expanded, with a number of options in the market now that allow pharmacies to pick the technology best suited to the types of LTC facilities they are serving, their throughput needs, their specific regulatory environment, and their budget. And automation has an impact from end to end, from within the pharmacy, out to the facility, and finally to the patient.

Barry Leskowitz, who is using DOSIS automation from Manchac at PharmcareUSA to fill unit-dose blister cards, offers a view on automation’s impact in the pharmacy. “I look at it in two ways,” he says. “One is with respect to inventory, and the other is with respect to labor.” The throughput of the DOSIS automation matches up well with the pharmacy’s volume so that Leskowitz can operate on a just-in-time model, both for inventory deliveries and dispensing. This, as he notes, is opposed to prepacking fast-moving medications, which is a common dispensing model in LTC pharmacy and one that automation can support as well.

However, Leskowitz took a close look at the impact of automating his packaging process and decided that there was no reason to prepack and carry the extra inventory that

results. Instead, he is relying on the automation to dispense and package medications on demand whenever the pharmacy system calls for them. Leskowitz focuses on tracking his dispensing needs for the next few days, with the knowledge that keeping the canisters in the DOSIS machine filled has a minimal impact on workflow and that the automation has the capacity to meet the pharmacy’s dispensing demand in real time. “This was something we knew about going into this,” he says, “but we’ve seen an even greater impact than we were expecting.”

Don Brindisi can also speak to the big impact dispensing automation has on pharmacy efficiency. Masonic Villages at Elizabethtown relies on the TCGRx ATP for multidose pouch packaging of around 260,000 medications a month into about 50,000 pouches. This is impressive, but Brindisi notes that solving one problem can often highlight another. “We were about a year in with the multidose packaging machine,” he says, “and we realized that the bottleneck had shifted to the pharmacist verification step, which with a weekly cycle fill was happening four times as often as before.” By Brindisi’s calculation, manual inspection of the pouch packaging required between 24 and 26 pharmacist hours each week. This led to the next piece of automation from TCGRx, InspectRx. This creates an exception-based verification process that has brought the pharmacists’ hours applied to this task under control.

BUILDING OUT AROUND AUTOMATION

Jason Jung had the advantage of bringing packaging automation in with a clean slate when Fox Drug Store decided to break its LTC operations out into a closed-door business over three years ago and bring in Synergy Medical’s SynMed blister card packaging automation. “We looked at the numbers and saw that it made sense for us to consolidate our long-term care operations into a closed-door pharmacy,” he explains. “We also realized that this would mean that we would have a nice opportunity to plan the workflow around the automation.” For example, Jung points to something as simple and logical as placing oral solid inventory for replenishing SynMed next to it, while liquids and inhalers are in a separate area — something that might not have been possible if Fox Drug Store had simply installed the machine in existing available space. “We didn’t want the technician running the machine to go crisscrossing the pharmacy to get stuff,” says Jung. “Most pharmacies weren’t originally built or designed for automation, and the approach is often that they just try to fit it into a corner. But you lose a lot of the efficiency if it’s not in the right spot.” This forethought has been helpful, notes Jung, for ensuring that Fox Drug Store is getting the full benefit of SynMed’s capabilities.

Long-Term Care Pharmacy: The Forces Driving Its Evolution was published on an online forum for Pharmacists. Read the article in its entirety at <http://www.computertalk.com/feature-stories/cover-story-september-october-2015-Long-Term-Care-pharmacy-the-forces-driving-evolution>.

Drug Cost Drivers and Trends

By Kevin Fearon, COO

(Contributions by Butch Nutter and Mary Jo McElyea)

Our industry faces an ever-changing environment and related budgeting challenges. Absolute Pharmacy was asked to speak at a conference recently about a topic of our choice affecting the leadership of the facilities we service. We know from many discussions with clients, partners, vendors, associations, and other industry-related personnel that managing costs in all areas is a topic that most commonly surfaces. We pulled a few facts related to current pharmacy trends and cost drivers to share with our audience. Additionally, provided below in our findings are some cost management tips and tools.

1. FIVE (5) CLASSES OF DRUGS MAKE UP 35% OF PHARMACY SPEND*

Pharmaceutical Expenses by Product Type for Medicare Patients:

Product Type	YTD Jul-15 Product Cost %	2014 Product Cost %
Diabetes	13.2%	13.6%
Breathing Medications	7.2%	7.0%
IV Antibiotic	5.6%	7.1%
Oral Antibiotic	5.2%	4.7%
Anticoagulants	3.6%	3.8%
Anemia/Chronic Kidney Disease	3.5%	3.1%
Alzheimer's/Dementia	2.4%	2.2%
Wound tx	1.5%	1.2%
Pain Management/ Fibromyalgia/Neuropathy	1.5%	1.6%
Pain Management/ Neuropathy/Shingles/Arthritis	1.3%	1.2%
Pain	0.8%	0.8%
IV	0.8%	0.8%
AntiPsychotic	0.7%	1.0%
Multiple Sclerosis Medication	0.6%	0.2%
Chronic Kidney Disease	0.5%	0.5%
Hyperlipidemia	0.5%	0.3%
Antianginal	0.4%	0.2%
Dry Eyes	0.3%	0.3%
Anti-depressant	0.1%	0.5%
Other	50.3%	50.0%

2. TEN (10) DRUGS EQUAL GREATER THAN 25% OF YOUR TOTAL PHARMACY SPEND*

Drug name	Product Type
Zyvox	Antibiotic
Levemir	Diabetes/Insulin
Lantus	Diabetes/Insulin
Novolin/Novolog	Diabetes/Insulin
Procrit	Anemia/Chronic Kidney disease
Spiriva	Breathing Medications
Cubicin	Antibiotic
Advair	Breathing Medications
Xarelto	Anticoagulants
Humalog	Diabetes/Insulin

Absolute Pharmacy clients' total Medicare Spend
January 2014-July 2015

3. GENERIC DRUG PRICES ARE INCREASING. FACTORS DRIVING THIS INCREASE:

- Consolidation among generic drug companies
- Shortage of raw materials
- Gaps in production schedules
- Supply and demand
- Regulatory issues

WHAT CAN YOU DO? WORK WITH YOUR PHARMACY TO OBTAIN COST MANAGEMENT TOOLS TO HELP YOUR TEAM UNDERSTAND AND MANAGE.

Weekly High Cost Medication Report

- Convenient tool sent via email that lists medications that require physician discussion regarding the acuity of the resident and their specific condition before a possible appropriate alternative can be decided.

- A report that provides high cost drugs and possible alternatives, and points out the cases (i.e., Namenda, Lantus, Levemir, Advair, etc.) that cannot be interchanged.
- Lists day's supply so you can evaluate the difference between \$250 for a 30-day supply (\$8/day) or a 5-day supply (\$50/day).

High Cost Medication Reference List

- List of medications to alert the facility that, depending on dose and directions, may result in medication cost disproportionate to revenue. Excellent guideline for admissions, DONs, supervisors, etc., when evaluating a potential new admit or new order.
- A copy of this is included on the next page.

Customer Web Portal

- Online access to quickly view pending costs and get immediate medication quotes.

Facility Formulary

- Facility formulary is a tool that allows pharmacy to automatically interchange an item upon dispensing. Facility formulary is customizable to each building and their population.

Managed Care Exceptions/Carve Outs

- Get additional payment for high-cost medications. The Clinical Contract Exception is used to reimburse SNFs for specific clinical services that may be in conflict with their contractual agreement – including high-cost drugs. For example, a high-cost drug or TPN must cost the SNF at least \$100 per med, per day, or three drugs costing \$240 per day. This varies by managed care provider. Work with your pharmacy and managed care provider to determine if reimbursement is an option and, if so, how much.

Prior Authorizations

- Pharmacy should work to get these approved whenever possible. This process can be streamlined with web portals and prescriber authorization forms.

Drug News

Be aware of these High Cost Medicatons

By Becky Sommers, R.Ph, VP of Clinical Services

Very Expensive

IVS	INJECTIONS	ANTIPSYCHOTICS	TOPICALS	MISCELLANEOUS	ANTIBIOTICS
Azactam IV	Aranesp inj	Abilify	Clindamycin gel	Adcirca tabs	Doxycycline tabs
Cubicin IV	Enoxaparin inj	Latuda tabs	Clonidine patch	Brilinta tabs	Zyvox tabs
Invanz IV	Fondaparinux inj	Seroquel XR	Desoximethasone cream	Canasa supps	
Oxacillin IV	Forteo inj	Ziprasidone	Exelon patch	Edecrin tabs	
Teflaro IV	Glucagon inj		Kenalog spray	Entacapone tabs	
Tygacil IV	Lantus inj		Lidocaine patches	Itraconazole caps	
	Levemir inj		Metronidazole gel	Lialda tabs	
	Procrit inj		Naftin cream	Modafanil tabs	
			Santyl oint	Nuedexta caps	
			Zovirax oint	Xifaxan tabs	
			Clindamycin gel	Adcirca tabs	

Expensive In 30 Day Supplies

PAIN MEDICATIONS	OPHTHALMICS	RESPIRATORY MEDICATION	MISCELLANEOUS	MISCELLANEOUS	MISCELLANEOUS
Fentanyl patch	Betoptic eye drops	Advair	Acetazolamide tabs	Klorcon powder	Renagel tabs
Nucynta tabs	Brimonidine eye drops	Brovana	Aggrenox caps	Lodosyn tabs	Sensipar
Oxycontin tabs	Prednisolone eye drops	Budesonide	Amantadine tabs	Lunesta tabs	Sucralfate U-D
		Combivent	Amitiza caps	Lyrica caps	Temazepam caps
		Dulera	Baclofen tabs	Myrbetriq ER tabs	Tradjenta tabs
		Perforomist	Calcium Acetate caps	Namenda tabs	Trospium tab
		Spiriva	Carbamazepine ER tabs	Neupro disc	Ursodiol tabs
		Tudorza	Colcrys tabs	Niacin ER tabs	Vimpat tabs
		Ziprasidone	Donepezil 23mg tabs	Pacerone tabs	Xarelto tabs
			Dronabinol caps	Paricalcitol	
			Duloxetine/Cymbalta	Pradaxa caps	
			Eliquis tabs	Promethagan supps	
			Fosrenal	Ranexa tabs	

Drug News

Be aware of these High Cost Medicatons

IVS/ANTIBIOTICS	INJECTIONS	RENAL TX	ANTIPSYCHOTICS	RESPIRATORY	MISCELLANEOUS
Azactam IV	Aranesp inj	Fosrenal	Abilify	Brovana	Adcirca tabs
Cefpodoximine tabs	Copaxone inj	Paricalcitol	Latuda tabs	Budesonide	Brimonidine eye drops
Cubicin IV	Enbrel inj	Renagel tabs	Seroquel XR (high dose)	Perforomist	Donepezil 23mg tab
Invanz IV	Enoxaparin inj	Sensipar		Tudorza	Duloxetine caps (high dose)
Meropenem IV	Fondaparinux inj				Edecrin tabs
Mycamine IV	Forteo inj				Entacapone tabs
Nitrofurantoin susp (not caps)	Procrit inj				Exelon patch
Oxacillin IV					Gleevec
Teflaro IV					Itraconazole caps
TPNs					Lialda tabs
Tygacil IV					Lidocaine patches
Zyvox tabs					Lodosyn tabs
					Modafanil tabs
					Neoral
					Neupro disc
					Niacin ER tabs
					Nucynta tabs
					Nuedexta caps
					Nuvigil tabs
					Oxycontin tab (high dose)
					Sulcrafate UD susp
					Xifaxan tabs

Absolute Insights



Put a Face to a Name: Jerry Liliestedt

1. How long have you worked for Absolute Pharmacy?

A: Six years.

2. What do you do for Absolute Pharmacy?

A: I'm responsible for overall pharmacy operations.

3. What do you absolutely love about working for Absolute Pharmacy?

A: I enjoy the ever-changing landscape of the LTC industry. This keeps work fresh and exciting!

4. What's your favorite quote or saying?

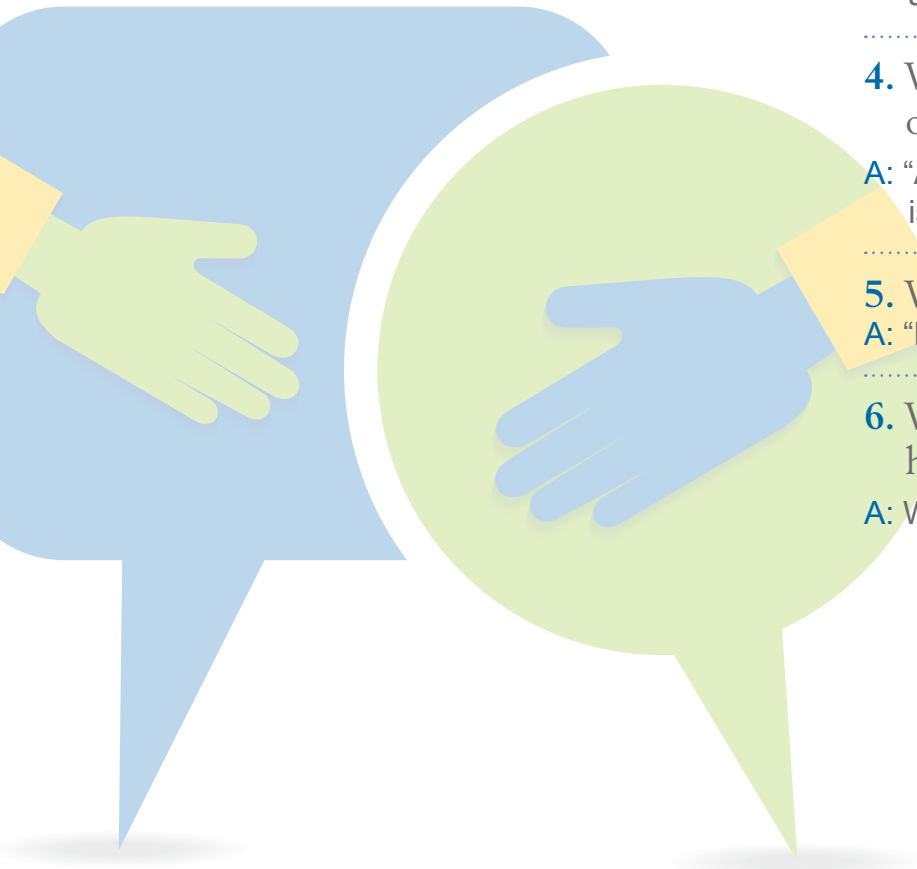
A: "Attitudes are contagious – is yours worth catching?"

5. What's your favorite song?

A: "Maxwell's Silver Hammer" by the Beatles

6. What chore do you absolutely hate doing?

A: Washing dishes.



Absolute Insights

7. What do you enjoy doing the most?

A: Playing card games.

8. If you could be any fictional character, who would you choose?

A: Jack Sparrow. That guy looks like he has so much fun!

9. If you could choose anyone, who would you pick as your mentor?

A: My father. He taught me about honesty, integrity, and always doing the right thing – even when it was really hard.

10. What did you want to be when you grew up as a child?

A: Pediatrician.

11. What is your favorite animal and why?

A: Monkeys! They are hilarious!

12. If you could take a vacation anywhere in the world, where would it be?

A: I'd go to New Zealand and/or Australia.



Upcoming Events:

PENNSYLVANIA CULTURE CHANGE COALITION ACCORD

Tuesday, Nov. 10, 2015

Mars, PA

Visit our table

OHCA WINTER CONFERENCE

Tuesday - Wednesday, Jan. 19-20, 2016

Columbus, OH

Visit our table

Absolute Insights

FAQ | Frequently Asked Questions

By Megan Graebert, Customer Service Manager

WHEN SHOULD I SEND MY ORDERS TO THE PHARMACY?

Any order needed from Absolute Pharmacy should be sent as soon as possible. There are various cutoff times throughout the day, depending on the type of order. The earlier the orders get to the pharmacy, the sooner the totes can leave at night. Here is a reminder of the cutoff times:

- **Refills:** Send to pharmacy by **2 p.m.** each day to receive in that night's tote. Anything sent after 2 p.m. will go in the next regularly scheduled delivery.
- **New orders:** Send the order to pharmacy by **8 p.m.** each day (4 p.m. on Saturday) to receive in that night's tote. Anything sent after 8 p.m. will go in the next regularly scheduled delivery.
- **Admissions:** Send admission orders to pharmacy by **8 p.m.** each day (4 p.m. on Saturday) to receive in that night's tote. Anything sent after 8 p.m. will go in the next regularly scheduled delivery.

HOW DO I GET A DROPSHIP ORDER?

If you are in need of a medication that needs to be dropshipped, call the pharmacy. **Do not fax the order and mark it "STAT" or "dropship ASAP."** Send the order to the pharmacy and follow with a phone call to let the pharmacist know that a dropship is needed.

When calling the pharmacist for an order to be dropshipped, check a couple of things before picking up the phone:

1. Is the item in your starter box, Omnicell, PassPort?
 - a. If the item is available on site, this is the preferred method of administering the medication. Your resident will not have to wait for the medication to be sent from the pharmacy.
2. What time is the next dose due?
 - a. When speaking with the pharmacist, let them know what time the next dose is due. The pharmacist will strive to get it to the facility by that time, within reason.

HOW DO I GET A REFILL ON AN IV ORDER?

Each Monday, Wednesday and Friday, the Absolute Pharmacy IV technicians initiate communication via an order verification fax to the facility. The form states the following:

****PLEASE FAX THIS FORM BACK TO PHARMACY
1-800-858-7394 BY 1:00 P.M. ****

By faxing the form back to the IV technicians rather than pulling refill stickers, the orders are automatically routed at the pharmacy to go to the IV queue to be processed in a timely manner.

WHAT ITEMS CANNOT BE RETURNED TO ABSOLUTE PHARMACY?

- Refrigerated items
- Narcotics
- Special order items
- Topical medications that have been opened
- Liquids that have been opened
- Mixed IV medications
- PASS packs
- Partial punch cards for third-party payers (insurance)
- Anything filled more than 30 days ago

The items above may not be returned to Absolute Pharmacy for credit. If dispensed by Absolute Pharmacy, they may be returned to Absolute Pharmacy for destruction, with the exception of narcotics. Narcotics must be held at the facility and destroyed by two licensed professionals (nurse and nurse or nurse and pharmacist).

WHAT IS AN ANNIVERSARY FILL MEDICATION?

- Anniversary fill orders are solid, oral, routine medications. Each anniversary fill medication has an anniversary date. The date on which a new medication order is sent will be the anniversary date for that order.
 - Example: New Order for Senna delivered 9/29. The medication will be sent automatically for the start date of 10/29, 11/29 and so on.
- Anniversary fill medications will automatically be delivered two to three days BEFORE the start date. There is no need to send refill requests for these medications.
- When these medications are received, they should be stored in the med room or med cart until the date on the label. Do not begin utilizing the card before the start date. The start date is clearly marked on the upper right-hand side of the label.
- Punch the medication card according to the date like a calendar.
- Items that are not on anniversary fill are as follows: PRN medications, controlled medications, liquids, ear/eye drops and topical medications.