

#### DRUG UPDATES

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#### QUALITY ASSURANCE REQUIREMENTS FOR MEDICARE PART D PLANS

The Centers for Medicare and Medicaid Services ( CMS ) require that each Part D sponsor establish quality assurance ( QA ) measures and systems to reduce medication errors and adverse drug interactions and improve medication use. The QA measures and systems should include:

1. Representation that the plan sponsor requires network providers to comply with minimum standards for pharmacy practice as established by the applicable state\*\*\*
2. Concurrent drug utilization review systems, policies and procedures
3. Retrospective drug utilization review systems, policies and procedures
4. Provision of information to CMS regarding the plan sponsor's QA measures and systems, according to CMS-specified guidelines

\*\*\**Compliance with State Standards*

Plan sponsors must require network providers to comply with minimum standards for pharmacy practice as established by the applicable state. While CMS believes that current pharmacy practice standards established by the applicable states, provide appropriate minimum standards for all practice settings, CMS encourages plans and their network providers to establish and agree upon additional quality assurance standards, as necessary. Therefore, plans must provide CMS with representation that their network providers are required to comply with minimum standards for pharmacy practices established by the applicable states.

#### \*\*\* STATE-REQUIRED QUALITY ASSURANCE PROGRAMS

Currently, there are nine (9) states that have mandated state-specific QA requirements for each pharmacy. Those states are: California, Connecticut, Florida, Iowa, Kansas, Maryland, Massachusetts, North Carolina and Oregon.

In addition, there are eleven (11) states that require a QA program, which are part of the Pharmacist in Charge (PIC) responsibilities. Those states are: District of Columbia, Illinois, Kentucky, Louisiana, Minnesota, New Mexico, Oklahoma, Rhode Island, Utah, Vermont and West Virginia.

Furthermore, there are four (4) states that have QA requirements, which pertain to Pharmacy Technician ratios or responsibilities. Those states are: Montana, North Dakota, South Dakota and Washington.

The following states require a QA program if the pharmacy is using an Automated Medication System or is acting as a Central Fill Pharmacy: Arkansas, Delaware, Idaho, Illinois, Indiana, Maine, Michigan, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Wisconsin and Wyoming.

The Medicare Part D plan sponsors must then require that any of the pharmacies in the aforementioned states have a Quality Assurance program established as it pertains to the minimum standards for pharmacy practice.



#### “QUOTE IT”

There is no future in any job. The future lies in the person who holds the job.  
*George Crane*

#### HOW MUCH IS YOUR TIME WORTH?

If you had to place a dollar value on your time, what would it be? \$45 per hour? \$100 per hour? If you knew someone who values his time at over \$2500 per hour, wouldn't you feel certain that his time is precious to him?

Have you ever felt that your time was being wasted? Maybe you have been on the telephone talking to someone, when he or she decided to put you on hold to take another call. Possibly you were once working on an important project, when someone decided to just stop in your office and "shoot the breeze."  
We're all familiar with these common time wasters.

Let's suppose you value your time at \$100 per hour. Then imagine throwing \$100 down the drain every hour. OUCH! That is exactly what you are doing if you are wasting your precious time. If you knew that you were losing \$100 per hour, would you continue to let your time dwindle away on an unimportant activity? Probably not!

Placing a dollar value on your time will help you determine what you are willing—or not willing—to spend your time on. Don't ever sell yourself short! Establish how much your time is worth and use that value to make decisions on how to spend it.

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#### HIPAA—HITECH ACT

Some time ago, the U.S. Department of Health and Human Services (HHS) amended its Health Insurance Portability and Accountability Act (HIPAA) enforcement regulations to reflect higher penalties for HIPAA rules violations that were included in the Health Information Technology for Economic and Clinical Health (HITECH) Act. Consequently, pharmacy owners need to become cognizant of the impact of this amendment.

The HITECH Act modifies the current HIPAA program in several standards and also in enforcement. HHS is now required to conduct audits of covered entities on a periodic basis, which up to now, occurred when there was a reported HIPAA violation. In addition, business associates are now liable under law as a covered entity. Hence, pharmacy owners' business associate agreements should reflect this.

The HIPAA HITECH Act also brought additional Breach Notification Requirements. This includes notifying HHS, along with a description of the event, the action taken, and steps the pharmacy has made to prevent a similar breach in the future. These measures were made in response to the increased threat of identification theft that is becoming more prevalent with the advances in technology.

All disclosures made electronically for payment, treatment and health care operations must be accounted for, whereas, previous rules did not make these disclosures accountable. The goal here is to make it harder for personal information to be obtained from hackers.

The HITECH Act has also increased the fines up to 1.5 million dollars, which CMS views as a further incentive for healthcare providers to become and remain HIPAA compliant.

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#### WHERE SHOULDN'T I PUT THIS?

When organizing your space, look not only at the space where to put things, but also look at the space where NOT to put things—especially expensive stuff. Look at rooms above, below and next to the area. For example, if your dishwasher, on the first floor, were to have problems and overflow, where would the water flow? Would it flow onto your computer in the office, which is in the basement? or Would it flow onto your flat screen TV in the family room?

Now may be a good time to consider this as it is best to be prepared before tragedy strikes. Keep these two questions in mind when organizing your home or office.

1. "Where SHOULD I put this?"
2. "Where SHOULDN'T I put this?"



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