

# Newsworthy

Friday, January 16, 2015

# **The World**

## Pharmaceutical Companies Raise Prices Of Medicines Sans Permission (Pakistan)

Certain pharmaceutical companies have increased prices of a select group of drugs during the past two months, reveals a survey carried out by *Business Recorder* on Thursday. These companies increased the prices without the permission from the regulatory body. The government is in the process of launching drug pricing policy which makes it mandatory for companies to freeze prices of drugs/medicines till June 2016 at the level of 2013.

The survey noted that the price of tetanus vaccine manufactured by Amson Vaccine & Pharma (Pvt) Ltd was jacked up from Rs 420 per pack (10 injections) to Rs 795 per pack during the period. Price of cough syrup Hydryllin manufactured by Searle Company Ltd increased from Rs 30 to Rs 65 during the last two months. Antibiotic Syrup Ceclor manufactured by AGP Private Ltd is selling at Rs 377 against Rs 328. Tablet Augmentin BD manufactured by GlaxoSmithKline is selling at Rs 179 per bottle against Rs 155 per bottle price two months ago. Fungal infection cream Hydrozole manufactured by Stiefel, GSK, is available at Rs 152 against previous Rs 80. Amoxil capsules manufactured by GlaxoSmithKline are available at Rs 861 per pack against Rs 749 per pack two months ago. Novartis has increased the price of Voltral Gel by Rs 196 and now it is available at Rs 257 against Rs 61. Merck has increased the price of Pcam tablets (rheumatic disease) by Rs 22 per pack as Pcam tablets are now available at Rs 139 per packet against Rs 117. Hilton Pharma has increased the price of tablet Methycobal by Rs 194 per pack (100 tablets) from Rs 1,270 to Rs 1,464. Read more

#### The Nation

#### NIH Chief Loses Sleep That U.S. Researchers May Leave For China

NIH chief Francis Collins has a lot on his plate these days, from Ebola to HIV. But he says the thing most keeping him awake at night lately is the agency's budget woes.

While speaking at the annual <u>JP Morgan JPM +1.02%</u> healthcare conference, he warned that tepid government funding for science is threatening to erode U.S. leadership in drug development. The flat budgets Congress has doled out to the NIH in recent years, combined with the effects of inflation, mean the agency's "purchasing power" has fallen by 25% since 2003, he told us before repeating the remarks in a speech to the conference. Read more

### **Obamacare's Little Secret**

Elizabeth MacDonough holds no elected office. Few people outside of Capitol Hill even know her name. And forget about knowing her political leanings or loyalties.

But she may very well be the most powerful person in Washington in determining how far Republicans can go in trying to repeal Obamacare.

As the Senate parliamentarian, MacDonough will make the decisions on which pieces of the law qualify to be repealed using a complicated budget procedure called reconciliation. Her decisions would allow Senate Republicans to vote to kill major provisions of the health care law under a simple 51-vote majority without

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giving Democrats a chance to filibuster. Read more

# The Rising Cost of Living Longer: Analysis of Medicare Spending by Age for Beneficiaries in Traditional Medicare

Jan 14, 2015 | Tricia Neuman, Juliette Cubanski, Jennifer Huang, and Anthony Damico

In the context of ongoing discussions about the federal budget and national debt, policymakers, experts, and the media have called attention to the nation's growing aging population and the implications for Medicare and the federal budget. At the same time, geriatricians and other providers who care for older patients are giving greater attention to the question of how best to meet the needs of an aging population. Between 2010 and 2050, the United States population ages 65 and older will nearly double, the population ages 80 and older will nearly triple, and the number of nonagenarians and centenarians—people in their 90s and 100s—will quadruple. The aging of the population has important implications for future Medicare spending because beneficiaries ages 80 and older account for a disproportionate share of Medicare expenditures. According to the Congressional Budget Office, population aging is expected to account for a larger share of spending growth on the nation's major health care programs through 2039 than either "excess spending growth" or subsidies for the coverage expansions provided under the Affordable Care Act. Read more

# Early plan renewal helped firms delay premium increases, ACA compliance January 15, 2015 | By Brian Eastwood

The Affordable Care Act (ACA) is often credited with contributing to the recent slowdown in healthcare cost increases by helping millions of Americans obtain health insurance. A recent United Benefit Advisors (UBA) survey found that delaying the impact of the ACA might also be part of the reason why. UBA surveyed nearly 10,000 employers who sponsor more than 16,000 health plans. The group saw a 322 percent increase in the number of plans that offered early renewal at the end of 2013 compared to 2012. Early renewal allowed these companies to delay the onset of many provisions of the ACA until Dec. 1, 2014.

The vast majority of the firms that did this were businesses with fewer than 100 employees; these are also the companies now coping with the employer mandate to provide insurance to all employees as of Jan. 1, *FierceHealthPayer* previously reported. Read more

### States Stand Pat Ahead of Supreme Court Health-Law Ruling

A push in states to protect consumers' insurance tax credits in the face of a Supreme Court challenge is losing steam because of political and practical obstacles to reworking the health law's exchanges, raising the stakes in the court battle.

At issue are subsidies for millions of consumers under the Affordable Care Act that make health plans cheaper. In 37 mostly Republican-controlled states, the federal government has a hand in running the exchanges where consumers buy insurance. About 4.7 million people in those states got billions of dollars of tax credits to offset the cost of insurance premiums for 2014, and more are expected to get them this year.

The Supreme Court is set to hear oral arguments in March over a legal challenge that contends the 2010 law only allows people to get tax credits for coverage bought through a state-run exchange. A decision is expected in the summer. Read more

#### **BREAKING NEWS: CMS Administrator Marilyn Tavenner to Resign**

The Centers for Medicare & Medicaid Services (CMS) Administrator Marilyn Tavenner plans to resign, effective at the end of February, Health and Human Services (HHS) Secretary Sylvia Mathews Burwell wrote in an email

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this morning obtained by *FierceHealthPayer*. Andrew Slavitt, principal deputy administrator, will take on the role of acting administrator.

"It goes without saying that Marilyn will be remembered for her leadership in opening the Health Insurance Marketplace. In so doing, she worked day and night so that millions of Americans could finally obtain the security and peace of mind of quality health insurance at a price they could afford. It's a measure of her tenacity and dedication that after the tough initial rollout of Healthcare.gov, she helped right the ship, bringing aboard a systems integrator and overseeing an overhaul of the website," Mathews wrote in the email. Read more

Sen. Tim Kaine Introduces Bill to Allow Medicare to Negotiate Price of Prescription Drugs
U.S. Senator Tim Kaine, a member of the Senate Budget and Aging Committees, joined U.S. Senator Amy
Klobuchar and four other colleagues to introduce the Medicare Prescription Drug Price Negotiation Act,
legislation that would empower Medicare to negotiate for the best possible price of prescription medication for
America's seniors who are enrolled in Medicare Part D. Current law bans Medicare from bargaining with
pharmaceutical companies for lower prices. The bill would help cut costs for more than 37 million seniors and
boost Medicare savings. Read more

### **Relevant National Websites**

**ASCP** 

**Centers for Medicare and Medicaid Services** 

**CMS** Region IX

**FDA** 

**FDA Guidance Documents** 

**IACP** 

**NASP** 

NIOSH List of Antineoplastic and other Hazardous Drugs in Healthcare Settings 2014

**U.S. Department of Health & Human Services** 

## **National Events & CE**

**IACP Educational Conference (February 2015)** 

**MHA Business Summit (March 2015)** 

<u>Armada Specialty Pharmacy Summit</u> (May 2015)

**Compounders on Capitol Hill (June 2015)** 

Webinar-Top Health Industry Issues of 2015 - Tuesday, January 27, 2015, 2:00 PM ET / 11:00 AM PT In its annual Top health industry issues report, PwC's Health Research Institute (HRI) explores the top 10 trends that are expected to shape the sector in 2015 including insights from a survey of 1,000 U.S. consumers and interviews with health industry leaders. [No CE will be given, but should be informative webinar] Register

# **California**

#### Pharma Asks U.S. Supreme Court to Review County Take-Back Program

Angry over a drug take-back program instituted by a California county, the pharmaceutical industry has asked the U.S. Supreme Court to review the constitutionality of the program.

In a filing late last month, three trade groups representing brand-name and generic drug makers, as well as

biotechs, argue that a federal appeals court erred last September when it **upheld a lower-court ruling** that the program did not violate the Constitution. The trade groups maintain that Alameda County interfered with interstate commerce and discriminates against out-of-state drug makers.

The Alameda County ordinance, which was enacted in 2012 and is the first of its kind in the nation, requires drug makers to pay for the disposal of unused and unexpired medicines. County officials estimated the annual costs to be about \$330,000, or between \$5,300 and \$12,000 for each manufacturer, according to court documents.

Read more

## California Hospital Fair Pricing Act Has Cut Prices for Uninsured

Thursday, January 15, 2015

California's Hospital Fair Pricing Act has helped lower costs for uninsured patients by placing limits on the fees hospitals can charge them for care, according to a study published in *Health Affairs*, *Medscape* reports.

## **Background**

Under the law (AB 774), passed in 2006, uninsured patients are protected from paying gross hospital charges, which are determined by a hospital's chargemaster. Specifically, the law restricts what hospitals can charge uninsured, low- to moderate-income patients.

While some California hospitals were slow to comply with the rules, most had adopted financial assistance policies by 2011, according to *Medscape*. Read more

#### DMHC Fines Health Net, Aetna \$200k Each

Thursday, January 15, 2015

The California Department of Managed Health Care has fined Health Net \$200,000 for losing data during a 2011 data migration project, which the department concluded violated both federal and California law. DMHC also fined Aetna \$200,000 for failing to correct defects the department found in a routine inspection of the health plan that was published in 2013. Source: <a href="https://www.californiahealthline.org">www.californiahealthline.org</a>

## Critics accuse Gov. Jerry Brown of neglecting California's poor

When Gov. Jerry Brown unveiled his latest budget proposal last week and the topic turned to Californians' financial struggles, he became uncharacteristically personal.

He described getting behind the wheel to drive mothers to shelters in Oakland, where he spent eight years as mayor. And he talked about a young relative who attended a \$40,000-a-year university but lives at home because her salary is only \$30,000 at a "so-called high-tech business in San Francisco."

"These are challenges. They are challenges within my own family," Brown said. "I don't have all the answers.... I don't know if anybody does." Read more

#### Worst Pertussis Outbreak In 70 Years, But What Can State Health Officials Do?

Wednesday, January 14, 2015 Source: www.californiahealthline.org

In a *California Healthline* report by Rachel Dornhelm, experts discussed the rise in pertussis, or whooping cough, in California. The disease was nearly eradicated in the state through vaccination, but now almost 10% of California's kindergartners have not had their immunizations. Last year more than 10,000 cases of pertussis were reported statewide, and two infants died from it.

The report includes comments from:

• James Cherry, a researcher and professor of pediatrics at UCLA School of Medicine;

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- Kathleen Harriman, chief of the Vaccine Preventable Diseases Department at the California Department of Public Health;
- Paul Katz, senior pediatrician at Kaiser Permanente, San Rafael Medical Center; and
- Sen. Richard Pan (D-Sacramento), a practicing pediatrician in Sacramento (Dornhelm, *California Healthline*, 01/14/14) <u>click here</u> to listen to the report or to download PDF

### Poll: Many Californians Unaware Of Paid Family Leave Program

Thursday, January 15, 2015

Just 36% of California voters are aware of the state's Paid Family Leave program, according to a new Field Poll, *Inland News Today*, reports (*Inland News Today*, 1/14).

The poll, commissioned by the California Center for Research on Women and Families and the California Work & Family Coalition, was conducted in October 2014 and included 1,010 respondents (Next Generation release, 1/14).

#### **Background on Paid Family Leave Program**

In September 2013, Gov. Jerry Brown (D) signed legislation (SB 770) to expand California's Paid Family Leave program to include workers who take time off to care for seriously ill grandparents, grandchildren, siblings and in-laws.

The program allows eligible employees to take up to six weeks of partially paid leave from their jobs annually and receive 55% of their wages for the time they take off. The measure requires workers to provide a doctor's note stating that their relative needs care. Read more

# LAO: California's Revenues Could Be \$2b Higher Than Brown Projects

Wednesday, January 14, 2015

California could collect up to \$2 billion more in tax revenue than Gov. Jerry Brown (D) projected in his fiscal year 2015-2016 budget proposal, but little -- if any -- of that money would be spent on health care, according to a report released Tuesday by the Legislative Analyst's Office, the *AP/Miami Herald* reports (Thompson, *AP/Miami Herald*, 1/13).

#### **Background on Budget Proposal**

Last week, Brown released his \$113.3 billion FY 2015-2016 budget proposal.

According to the budget, Medi-Cal will account for two-thirds of overall health and human services spending in the coming fiscal year. Medi-Cal is California's Medicaid program.

Meanwhile, Brown's office in a release also noted that unfunded liability in the state's retiree health care programs currently is an estimated \$72 billion. To address the unfunded liability, the budget plan proposes that "the state and its employees ... share equally in the pre-funding of retiree health benefits, to be phased in as labor contracts come up for renewal." The budget estimates that such a move would result in savings of nearly \$200 billion over the next 50 years. Read more

## **Brown's Budget Includes Funding For Costly Hepatitis C Treatment**

Tuesday, January 13, 2015

Gov. Jerry Brown's (D) proposed fiscal year 2015-2016 budget allocates about \$300 million for high-cost drugs, including expensive medication to treat hepatitis C, Capital Public Radio's "KXJZ News" reports (Bartolone, "KXJZ News," Capital Public Radio, 1/12).

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# **Budget Health Care Bartering Brewing by David Gorn** Monday, January 12, 2015

Let the bargaining begin.

Last week's budget proposal by Gov. Jerry Brown (D) didn't restore cuts from previous years -- with the exception of the already agreed-upon reversal of a 7% cut in In-Home Supportive Services hours -- and that omission was not lost on consumer health advocates.

Health care advocates pointed to several issues not addressed in Brown's proposed budget, including:

Medi-Cal rates: "We are very concerned that the budget does not address California's outdated and inadequate provider rates when our state already has one of the lowest Medicaid payment rates in the country," said Wendy Lazarus, co-president of The Children's Partnership. "We urgently need to incentivize doctors and dentists to participate in the program and serve low-income families." Read more

#### **State Net Capitol Journal**

News and Views from around the 50 states.



# **Relevant California State Department Websites**

**CAL MediConnect** 

**California Department of Health Care Services** 

**California Department of Insurance** 

**California Department of Managed Health Care** 

**California Department of Public Health** 

**California Department of Workers' Compensation** 

**California State Board of Pharmacy** 

# **CA Events & CE**

STERILE COMPOUNDING New Laws and Regulations-Western University-March 2015

For more information click here

**West Coast Pharmacy Exchange April 2015** 

For more information click here

SEMINAR 2015 (October) click here

**California State Board of Pharmacy** 

Pharmacists and pharmacy technicians may earn 6 hours of CE for attending the entire day of a board of pharmacy meeting; and 2 hours of CE for each committee meeting. Please go to <a href="www.pharmacy.ca.gov">www.pharmacy.ca.gov</a> for the meeting schedule.

# **CA Legislation**

While the Legislature reconvened the 2014-2015 Legislative session on January 5, 2015, the majority of bills will not be introduced and in print until late February.

You may always learn more information by logging onto www.leginfo.ca.gov