

THE MedicineCabinet

A newsletter from MEDPIN – Medicine For People In Need

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Medpin is Reaching Out to Safety Net Providers Throughout California to Attend Our **Second Annual Conference**

In 2001, 6.2 million California residents were uninsured for all or part of the year. People without health insurance are more likely to go without needed care; people without prescription drug coverage are more likely to go without needed medications.

How can safety net providers meet the needs of their indigent patients? Medpin's second annual conference, **Setting the Standard: Quality Care and Affordable Drugs**, will address strategies to improve quality of care by maximizing the availability of affordable and effective drugs. Clinics faced with diminishing resources and increasing demand will need to consider multiple approaches that may include pooling purchasing power to achieve significant savings as well as increasing access to free drugs.

Conference workshops will focus on:

- Medpin's vision and plan for implementing a statewide safety net provider purchasing alliance



- Physician and pharmacist teams to improve quality of care
- Using PAPs to improve patient care
- Developing and Implementing a Statewide Pharmaceuticals and Therapeutics Committee (P&T)

REGISTER ONLINE:

[www.medpin.org/education/
annual_conf.html](http://www.medpin.org/education/annual_conf.html)

Scholarships are available.

Office of Pharmacy Affairs (OPA) Has a New Name



The Bureau of Primary Health Care (BPHC) has reorganized. The Office of Pharmacy Affairs is now the Pharmacy Affairs Branch in the newly created Division of Health Center Development. The Pharmacy Affairs Branch will continue to promote access to comprehensive pharmacy services, maximize 340B participation, develop programs for affordable pharmacy services and function as a federal resource for pharmacy practice. The website remains the same: <http://bphc.hrsa.gov/opa/>.

Q&A

Ask the Pharmacist

In this issue of *The Medicine Cabinet*, we are introducing a new feature column, Ask the Pharmacist. The questions in this month's edition are questions raised at recent Medpin training sessions. Send your questions to Ask the Pharmacist at info@medpin.org.

Q Are unit dose medications available through the PHS 340B Program?

A Most brand-name medications are available containing one dose (the amount dispensed for immediate use) at no extra charge through the 340B program.

Q Our clinic recently obtained a clinic permit to operate a dispensary. We are planning to hire a pharmacy technician to dispense the drugs. Is this okay?

A No way! A pharmacy tech can only dispense drugs under the direct supervision of a pharmacist. Only the following providers may legally dispense drugs at the clinics: physicians, nurse practitioners or physician's assistants, registered nurses (RN) and pharmacists.

Q Our clinic has a federal grant for migrant health. We checked the Office of Pharmacy Affairs bulletin board but our clinic is not listed! What do we do?

A The bulletin board is updated quarterly. Your next step is to download the program registration form from the website:

<http://bphc.hrsa.gov/opa>

Click on the linked application form. Complete the application and fax it to the Pharmacy Affairs Branch (301) 594-4982.

Drug Distribution Project Nears End

Final Scheduled Order Period

160 clinics placed electronic requests for products from six drug companies (out of the total of twenty-five DDP participant companies) during the final scheduled order period. The companies whose products were still available due to relatively lower interest from clinics were Abbott Laboratories, AHP/Wyeth, Boehringer Ingelheim, GlaxoSmithKline (including Glaxo Wellcome and SmithKlineBeecham), Novartis, and Pharmacia & Upjohn (including Searle). As usual, there was a substantial gap between total requests from safety net clinics and the total amount of drugs available through the DDP. In this order period, even within the constraints of "DDP credit limits," requests exceeded by \$10 million the total amount of drugs available.

99% of DDP Product Balance is Distributed

After completion of the \$6.4 million of product shipments in the final DDP order period, Medpin is pleased to report that only two companies remain with DDP product balances more than \$50,000. These companies are AHP/Wyeth (\$2 million unspent) and GlaxoSmithKline (\$64,000 from Glaxo Wellcome and \$1.7 million from SmithKlineBeecham, totalling \$1.77 million unspent). There is more good news. Working with GlaxoSmithKline after the final scheduled DDP order period, Medpin created a special order period in February 2003, aimed at expending GlaxoSmithKline's remaining product balance by offering one drug newly available to the DDP: the antibiotic Augmentin. In late March, Medpin transmitted orders for \$1.77 million of Augmentin, cut back from \$4.73 million of Augmentin requests.

The DDP is expected to end with a record of distributing 99% of the total \$171 million product balance to indigent patients served by California safety net clinics. Medpin is pleased to note

that 24 of the 25 participant companies worked constructively with Medpin and California safety net clinics to develop product offerings that expended 100% of each of those companies' DDP total product balance.

After the DDP???

Medpin is gathering feedback from all DDP participant clinics to assess the impact of this special, three-year effort to reduce financial barriers to medication access for uninsured patients. This information will be presented to the judge at a June 2003 court hearing to review the operations and final results of this innovative litigation settlement.

Medpin is responding in several ways to clinics' requests for help in planning for the termination of the DDP assistance. Several projects will be presented at Medpin's May 2003 Conference including:

- A list of generic drugs available as alternatives to the brand name drugs previously available at no charge through the DDP;
- PAP assistance resources booklet, based on information being

developed by Medpin and safety net clinic staff advisers;

- Follow-up on the "five commitments" letters sent earlier by Medpin and a number of California clinic organizations to drug companies regarding their continued PAP assistance;

- Creation of a statewide Pharmaceuticals and Therapeutics (P&T) committee to evaluate therapeutically equivalent drugs in selected categories;

- Development of a purchasing alliance of California safety net providers.

Medpin staff is working closely with the safety net community, government, academia, pharmacists, selected drug companies, and potential funders to explore these and other opportunities for ongoing assistance to California's low-income, uninsured patients.



Shasta Community Health Center

Reducing Drug Costs: Implementing a Safety Net Provider Purchasing Alliance

Throughout 2002, the Medicine for People in Need (Medpin) Program has worked with its Advisory Board, legal counsel, and consultants to create a model of pharmaceutical purchasing and management to benefit safety net providers in California. The purchasing model is called the Safety Net Provider Purchasing Alliance (Alliance). The mission of the Alliance is to develop financially and organizationally sustainable activities to help safety net providers optimize the value of outpatient pharmaceutical care for their patients.

The Alliance will serve the nearly 1,000 community-based clinics, county clinics, county hospitals, and academic medical institutions that comprise California's health care safety net. These providers today spend an estimated \$540 million on outpatient prescription drugs per year.

The Alliance will pool drug purchases to maximize leverage with pharma-

ceutical manufacturers. The central goal is to win more favorable pricing than the participating providers can obtain on their own. For providers that already use the 340B program, this means negotiating prices below the 340B ceiling. For providers not eligible for 340B this means negotiating prices closer to the 340B ceiling price.

Drug companies will give the best prices to those purchasers that can "move market share" of their products. To move and maintain committed market share, the Alliance will create a preferred drug list (PDL)—with all decisions about which drugs to include being clinically based. Participating providers will be expected to comply with the PDL to maximize cost savings. A statewide Pharmacy & Therapeutics (P&T) Committee of clinical experts comprised of physicians, and pharmacists from participating provider organizations will develop and regularly update the PDL.

Best Buys

APRIL

Great drugs to treat arthritis, asthma, infection and ulcers

Piroxicam Capsules,
20 mg., # 100
52555-0973-01 \$.01

Albuterol Soln. for Inhalation
5mg/ml, 20 ml
59930-1515-04 \$.15

Ranitidine Tablets,
300 mg., #100
00093-8547-01 \$.19

Silvadene Cream, 20 gm tub
61570-0131-20 \$.62

Gentamicin Oph Soln
0.3%, 5 ml
60758-0188-05 \$.77

Doxycycline Caps
100 mg., #50
00591-5440-50 \$.79

Rheumatrex Pack,
2.5 mg., 4x3
00005-4507-05 \$.79

Looking to Buy a "Best Buy?"

Medpin doesn't sell or distribute drugs. You must work with a drug wholesaler or directly with a pharmaceutical company to buy drugs. Best Buys prices are generally available only to clinics that are 340B eligible. To find out more about the 340B program and how to participate go to our website at www.medpin.org and click on Low Cost Drugs.

Why TB Control Programs Should Participate in the 340B Program

Treating a single case of multi-drug resistant (MDR) TB could potentially decimate the budget of some local TB Control programs. But there is hope! TB control programs, receiving federal funds are eligible to purchase TB drugs for screening and treatment through, the PHS 340B Drug Discount program. TB clinics could be achieving savings of 40% or more on the drugs they buy.

On February 11, 2003, Medpin, in partnership with the California Department of Health Services TB Control Branch, convened a telephone conference call focused on the basics of 340B purchasing tailored to TB control programs. 16 representatives from 12 county TB control programs participated in the call. Three counties, Humboldt, Monterey, and Stanislaus, are currently purchasing their TB drugs through the 340B program. Among the challenges to implementation discussed were:

- Barriers within the bureaucracies of the county health systems to set up and begin pur-

chasing through the 340B programs

- Assessing the value of 340B purchasing when only a small number of TB cases are reported per year.

In addition to purchasing drugs to treat TB, programs that provide screening can purchase TB skin tests through the 340B program at a cost of between \$13 - \$15 for 50 dose vials compared to about \$60 retail. Most medications purchased through the 340B program are available in unit dose. Shortly after the call, Medpin received this email from one of the participants: "Just wanted to share that getting connected to the PHS 340B pricing is indeed making a difference on our bottom line... in just one medication order alone, we saved \$558!"

To learn more about the PHS 340B Drug Discount program, visit the Medpin website at www.medpin.org.



Kern Medical Center

PLEASE ROUTE TO:

- ____ **Executive Director**
- ____ **Medical Director**
- ____ **Clinic Manager**
- ____ **Nurse Manager**
- ____ **Pharmacist**

www.medpin.org • 510.302.3341 • info@medpin.org

Calling All California Licensed Pharmacists: New Opportunities to Apply and Extend Expertise

On Saturday, March 1, 2003, Medpin conducted a workshop, **Becoming A Specialist in Community Clinic Pharmacy Support** at the California Pharmacists Association (CPhA) Outlook 2003 Conference.

Twenty-six participants learned about the needs of safety net providers to provide quality care and access to affordable drugs for their patients, and about the role of the consultant pharmacist.

Over the past three years, Medpin has provided training and technical assistance to clinics throughout California to obtain clinic permits to dispense medications obtained through the Drug Distribution Project (DDP) and drugs purchased through the PHS 340B Drug Pricing Program. Clinics operating in-house dispensaries are required to contract with a consultant pharmacist. Medpin has developed a training program for pharmacists to apply their expertise in purchasing, dispensing and disease management to assist non-profit

community clinics, free clinics, migrant and homeless health centers.

Medpin has also provided technical assistance to clinics and pharmacists to pursue contractual arrangements to dispense 340B drugs.

Licensed California pharmacists who want to learn more about consulting and contracting are encouraged to attend Medpin's workshop, **Becoming a Specialist in Community Clinic Pharmacy Support**, on Friday, May 9, 2003 from 8:15 a.m. to 10:45 a.m., at our second annual conference at the Sheraton Universal Hotel in Universal City. For more details visit the Medpin website at www.medpin.org.

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