

Witness Statement for Human Services Committee on HB 2511

My name is Brian Kramer. I am a licensed registered pharmacist and have been since 1985. I have worked in the Long-Term Care Pharmacy Industry since 1989. I am the President of two Long-term Care Pharmacies in Illinois. I am also currently the President and Executive Director of The Illinois Association of Long Term Care Pharmacy Providers (ILATCP) of whom I am representing today. Our Association currently represents a membership of 17 Long Term Care Pharmacies servicing LTC facilities in Illinois. These consist of; Skilled Nursing Facilities, Supportive Living Facilities, Intermediate Care Facilities, and Community Integrated Living Arrangements to name a few. In all, our members serve the pharmacy needs of > 85,000 of the most medically frail, sick and vulnerable lives in Illinois. Our services not only consist of medication dispensing, but also providing clinical pharmacy services via our highly specialized staff pharmacists, consultant pharmacists, pharmacy technicians as well as consultant nurses. We are not retail or community pharmacies, but specialized pharmacy operations designed to provide for the specialize needs of the lives we help care for.

HB 2511 amends the Medical Assistance Article of the Illinois Public Aid Code Section 5-5.12 as follows: Provides that drugs prescribed for residents of licensed long-term care facilities shall not be subject to prior approval as a result of the 4-prescription limit. This section in the code resulted from legislation contained in the Illinois SMART act (June 2012) which stated that (On and after July 1, 2012, the Department shall impose limitations on prescription drugs such that the Department shall not

provide reimbursement for more than 4 prescriptions, including 3 brand name prescriptions, for distinct drugs in a 30-day period, unless prior approval is received for all prescriptions in excess of the 4-prescription limit).

Our association supports HB 2511. As you know the purpose of the SMART act was to address the significant spending and liability deficit in the medical assistance program budget of the Department of Healthcare and Family Services. We believe that the act inadvertently overlooked the impact this would have on the segment of Medicaid recipients in long-term care facilities, the facilities themselves, as well as the LTC pharmacy providers

The national average of prescription medications that residents of LTC facilities receive is between 8-12. These are legitimate prescription medications used to treat or prevent the number of comorbidities typically seen in this population. The delay in providing these medications to this population inadvertently created by the requirements of the 4-script limit often has significant impact on their health and well-being.

Both State and Federal regulations that LTC facilities must follow require that prescribed medications must be provided “in a timely manner”. The delays imposed into the system by the 4-script limit, often put LTC facilities at risk of violating these regulations.

The 4-script limit has added unnecessary administrative costs to the system both for LTC pharmacies, and we believe the DHFS itself. LTC Pharmacies have had to increase staff in their “billing and reimbursement” departments to apply and manage the prior authorizations required

by the department as part of the 4-script limit. The department itself is incurring costs to evaluate and manage these same prior authorizations. We believe the clinical staff the department uses to evaluate these requests are no more qualified than the specialized pharmacists that we employ routinely do the same thing as part of their normal daily professional responsibilities. Federal and State regulations also require at least a monthly Medication Regime Review by a consultant pharmacist for residents in LTC facilities, during which they are evaluating the appropriateness of their prescription drug therapy. Often these reviews result in recommendations to physicians to discontinue certain drug therapy or switching to more cost effective equally effective alternatives.

Again we support HB 2511 and urge you to move forward with the legislative process.

Thank you

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President
Illinois Association of Long Term Care Pharmacy Providers