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Walter Hoff  
Chief Executive Officer  
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January 12, 2018

The Honorable Seema Verma  
Administrator  
Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

**Re: Medicare Program; Contract Year 2019 Policy and Technical Changes to the Medicare Advantage, Medicare Cost Plan, Medicare Fee-for-Service, the Medicare Prescription Drug Benefit Programs, and the PACE Program; Proposed Rule (CMS-4182-P)**

Dear Administrator Verma:

On behalf of A-S Medication Solutions LLC, formerly Allscripts Medication Services Group, we appreciate the opportunity to provide comments in response to the *Medicare Program; Contract Year 2019 Policy and Technical Changes to the Medicare Advantage, Medicare Cost Plan, Medicare Fee-for-Service, the Medicare Prescription Drug Benefit Programs, and the PACE Program* Proposed Rule issued on November 16, 2017 ("Proposed Rule") by the Centers for Medicare & Medicaid Services (CMS).

A-S Medication Solutions has over 20 years of medication dispensing experience and 17,000 client physicians worldwide. We provide the highest quality, A-rated generic and brand name medications through a safe and efficient physician dispensing model. As a pioneer in medication dispensing solutions, we know that there are a variety of proven benefits associated with allowing patients to receive their medication from their provider at the point of care including increasing adherence, improving intermediate outcomes, increasing patient-caregiver experience, and reducing per capita expenses.

We urge the agency to prohibit Part D plan sponsors from using accreditation standards to inappropriately narrow their pharmacy networks and remind the agency that such standards would not apply to physician dispensing as they are not considered pharmacies.<sup>1</sup> We also urge the agency not to impose barriers on physician dispensing and implement policies to further utilize the value of physician dispensing in future

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<sup>1</sup> 42 CFR 423.124



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rulemaking. Physician dispensing is a proven and valued service that enhances patient satisfaction and can have a positive effect on plans' star ratings.<sup>2</sup> Further, physician dispensing incentivizes the appropriate use of low cost, high efficacy prescription drugs and improves medication adherence.<sup>3</sup>

In the Proposed Rule, CMS states that the development of preferred pharmacy networks has resulted in standard terms and conditions that, in some cases, circumvents the any willing pharmacy requirements and inappropriately excluding pharmacies from network participation. For example, CMS noted some Part D plan sponsors have declined to permit willing pharmacies to participate in their networks on the grounds that they do not meet the Part D plan sponsor's definition of a pharmacy type for which it has developed standard terms and conditions. Further, the agency notes that it has received complaints from pharmacies that Part D plan sponsors now require accreditation, including accreditation by multiple accrediting organizations, or additional Part D plan- or Pharmacy Benefit Manager-specific credentialing criteria, for network participation. We share CMS' concern that Part D plan sponsors may use their standard pharmacy network contracts in a way that inappropriately limits dispensing of specialty drugs to certain pharmacies. We urge the agency to prohibit Part D plan sponsors from using accreditation standards to inappropriately narrow their pharmacy networks. However, should the agency preserve Part D plan sponsors' flexibility to establish accreditation standards, we remind the agency that such standards would not apply to physician dispensing as they are not considered pharmacies. Further, we urge the agency not to impose barriers on physician dispensing and implement policies to further utilize the value of physician dispensing in future rulemaking.

A physician-led point of care medication delivery system, such as a physician dispensing model, increases care coordination and, in turn, can enhance patient satisfaction while improving plan quality ratings. Physician dispensing is directly or indirectly related to 8

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<sup>2</sup> Ana Palacio, et al., Impact of a Physician-Led Point of Care Medication Delivery System on Medication Adherence. American Journal of Managed Care (July 2006). Available here <http://www.ajmc.com/journals/issue/2016/2016-vol22-n7/impact-of-a-physician-led-point-of-care-medication-delivery-system-on-medication-adherence>.

James Owen. Medicare star ratings: Stakeholder proceedings on community pharmacy and managed care partnerships in quality. Journal of the American Pharmacists Association, (May-June 2014): 228 – 240. Available here [http://www.japha.org/article/S1544-3191\(15\)30180-1/fulltext](http://www.japha.org/article/S1544-3191(15)30180-1/fulltext).

<sup>3</sup> Ana Palacio, et al., Impact of a Physician-Led Point of Care Medication Delivery System on Medication Adherence. American Journal of Managed Care (July 2006). Available here <http://www.ajmc.com/journals/issue/2016/2016-vol22-n7/impact-of-a-physician-led-point-of-care-medication-delivery-system-on-medication-adherence>.



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of the 10 most heavily weighted performance measures in Medicare Part C and D.<sup>4</sup> As a result, efforts to improve pharmacy-related measures can be a significant factor in obtaining a higher star rating. Moreover, such efforts enhance patients' perceived quality of care, increase patient satisfaction with physician-patient communication, and are more convenient for patients than filling prescriptions at retail pharmacies.<sup>5</sup> When appropriately deployed, physician dispensing in primary care will result in improved care coordination, patient satisfaction, and plan quality.

Medication nonadherence is associated with poor therapeutic outcomes and progression of disease. In addition, it increases cost to the healthcare system due to avoidable hospitalizations and direct costs incurred by the progression of controllable diseases.<sup>6</sup> Medication nonadherence is a result of many factors including beneficiary cost sharing, lack of transportation to the pharmacy, and lack of understanding among patients regarding their health.<sup>7</sup> Dispensing physicians are uniquely situated to increase medication adherence as they are able to coordinate scheduled visits at the time of dispensing which allows physician to periodically assess the efficacy of therapies and make adjustments when needed.<sup>8</sup> Further, physician dispensing reduces transportation

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<sup>4</sup>James Owen. Medicare star ratings: Stakeholder proceedings on community pharmacy and managed care partnerships in quality. *Journal of the American Pharmacists Association*, (May-June 2014): 228 – 240. Available here [http://www.japha.org/article/S1544-3191\(15\)30180-1/fulltext](http://www.japha.org/article/S1544-3191(15)30180-1/fulltext); Medicare 2018 Part C & D Star Ratings Technical Notes. Centers for Medicare & Medicaid Services. Available here [https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn/Downloads/2018-Star-Ratings-Technical-Notes-2017\\_09\\_06.pdf](https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn/Downloads/2018-Star-Ratings-Technical-Notes-2017_09_06.pdf).

<sup>5</sup> Ana Palacio, et al., Impact of a Physician-Led Point of Care Medication Delivery System on Medication Adherence. *American Journal of Managed Care* (July 2006). Available here <http://www.ajmc.com/journals/issue/2016/2016-vol22-n7/impact-of-a-physician-led-point-of-care-medication-delivery-system-on-medication-adherence>.

<sup>6</sup> Ho PM, et al., Effect of medication nonadherence on hospitalization and mortality among patients with diabetes mellitus. *Arch Intern Med*. 2006 Sep 25;166(17):1836-41. Available at <https://www.ncbi.nlm.nih.gov/pubmed/17000939>; Aurel O Luga and Maura J McGuira, Adherence and health care costs. *Risk Manag Healthc Policy*. 2014; 7: 35–44. Available at <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3934668/>; Egede LE, et al., Longitudinal effects of medication nonadherence on glycemic control. *Ann Pharmacother*. 2014 May;48(5):562-70. Available at <https://www.ncbi.nlm.nih.gov/pubmed/24586059>.

<sup>7</sup> Starr B, Sacks R. Improving Outcomes for Patients With Chronic Disease: The Medication Adherence Project (MAP). Toolkit and Training Guide for Primary Care Providers and Pharmacists. New York, NY: NYC Health, Cardiovascular Disease Prevention and Control Program, Bureau of Chronic Disease Prevention and Control (2010). Available at <http://medadherenceresources.com/upload/resources/Education-Tools/MARC%20-%20Medication%20Adherence%20Project%20Toolkit%20and%20Training%20Guide.pdf>.

<sup>8</sup> Physician dispensing facilitates a conversation between the physician and the patient regarding the importance of consistently taking their medication as prescribed. A recent two-year clinical study involving 800 diabetic Medicare members in South Florida found that medication adherence increases from 17 to 29



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barriers as patients do not have to make an additional trip to the pharmacy while preserving the opportunity for the beneficiary to ask questions when receiving their medication.<sup>9</sup>

As discussed above, when utilized appropriately, physician dispensing increases access while reducing costs, enhances enrollee experience, minimizes barriers to access, and improves health literacy among Medicare beneficiaries. CMS should implement policies to leverage the physician dispensing model to lower costs, improve the patient caregiver experience, and better control population health by improving medication adherence.

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Thank you for your consideration of these comments. Should you have any questions regarding this letter, please contact Walter Hoff at [walter.hoff@a-smeds.com](mailto:walter.hoff@a-smeds.com) or 404-229-3301.

Sincerely,

A handwritten signature in dark ink that reads 'Walter Hoff'.

Walter Hoff  
Chief Executive Officer, A-S Medication Solutions

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percentage points for hypertension, statins, and antidiabetic medications when a physician-led point of care medication delivery system was used. In addition, medication adherence among African-American seniors in the study improved from 20 to 30 percentage points, depending upon the medication class. Ana Palacio, et al., *Impact of a Physician-Led Point of Care Medication Delivery System on Medication Adherence*, American Journal of Managed Care (July 2006). Available here <http://www.ajmc.com/journals/issue/2016/2016-vol22-n7/impact-of-a-physician-led-point-of-care-medication-delivery-system-on-medication-adherence>.

<sup>9</sup> Several studies have shown that transportation is a reason for seniors' non-adherence to their medications; 45 percent to 55 percent of seniors have reported difficulty with access to transportation and 65 percent felt transportation assistance would improve medication use. Samina T. Syed, et al., *Traveling Towards Disease: Transportation Barriers to Health Care Access*. Journal of community health (Dec 2014): 976–993. Available at <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4265215/>.