

MEDICAID DRUG REIMBURSEMENT CONFERENCE

For the second consecutive year, Mindlance participated in the Institute for International Research's Medicaid Drug Reimbursement Conference. The conference was held in Chicago on September 21-23. Along with the usual informative sessions centered around navigating and managing the challenges of the MDRP, presentations also focused on 340B program updates, TRICARE information and developments in AMP and AWP litigation. However, the prevailing theme of the conference was directed at healthcare reform.

In the keynote address, former senate majority and minority leader Tom Daschle, a key architect in President Obama's healthcare reform plan, provided his argument for the need for sweeping government-mandated reform and the challenges surrounding it. Various industry leaders detailed the potential legislation and its impact in sessions throughout the following days.

House and Senate committees have proposed legislation that would significantly affect Medicaid, Medicare and the 340B programs. A change in the Medicaid base rebate percentage is one of the more significant items, with a branded drug increase proposed from 15.1% to either 22.1% or 23.1% and generic increase from 11% to 13%. In addition is a proposed additional rebate on new formulations of existing drugs. Also notable are possible expansions of the rebate to Medicaid managed care and Medicare Part D dual eligibles.

These highlights represent just a portion of the potential changes that may accompany the passing of major healthcare reform. Operational and financial impact will likely be widespread throughout any organization. If you'd like to learn more about these issues or how to best prepare for their impact, please contact us to discuss further.

