



Small Pharmacies Reporting Requirements: Reimbursement Appeals

Interested Parties Meeting

Aug 10, 2022



OFFICE of the
**INSURANCE
COMMISSIONER**
WASHINGTON STATE

Small Pharmacies Reporting Requirements: Reimbursement Appeals

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Agenda

- Overview SPRAU vs Consumer Advocacy Program
- Small Pharmacy Reimbursement Appeal process
- Rulemaking Process and Timeline
- CR-101 comments

Small Pharmacy Reimbursement Appeal vs Consumer Advocacy Program

Office of the Insurance Commissioner



Reimbursement Appeal vs CAP

Small Pharmacy Reimbursement Appeal (SPRA)

Appeal of PBM
reimbursement-heard by the
OAH

- Tier II appeal
- Following PMB denial

15 or fewer retail outlets

Medicaid claims are not
eligible

Consumer Advocacy Program (CAP)

Reviews issues/concerns with
fully insured insurance plans
and associated HCBMs

- Claims
- Billing
- Underwriting

Provide referrals for further
assistance

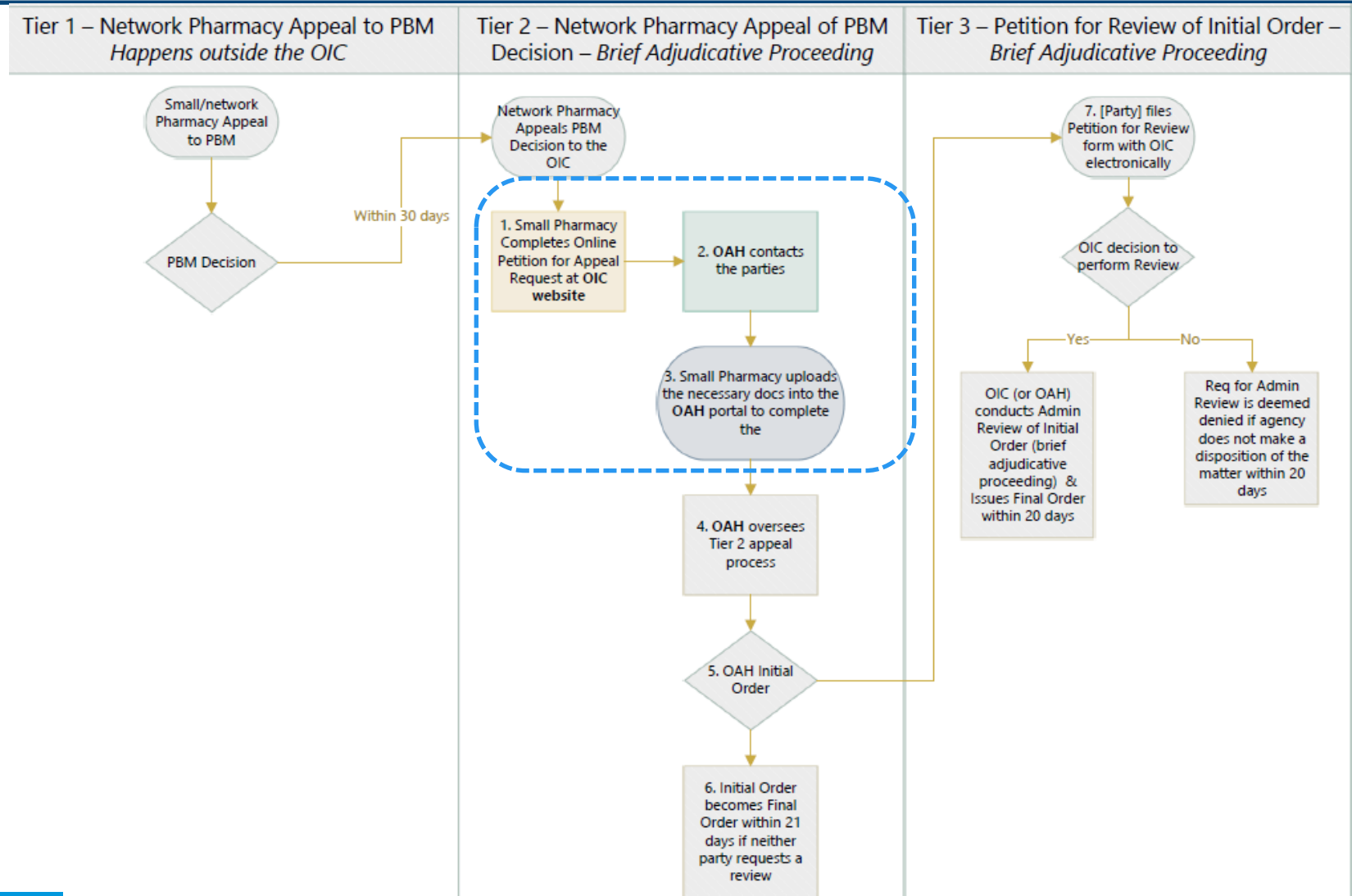
<https://www.insurance.wa.gov>

SPRA Process

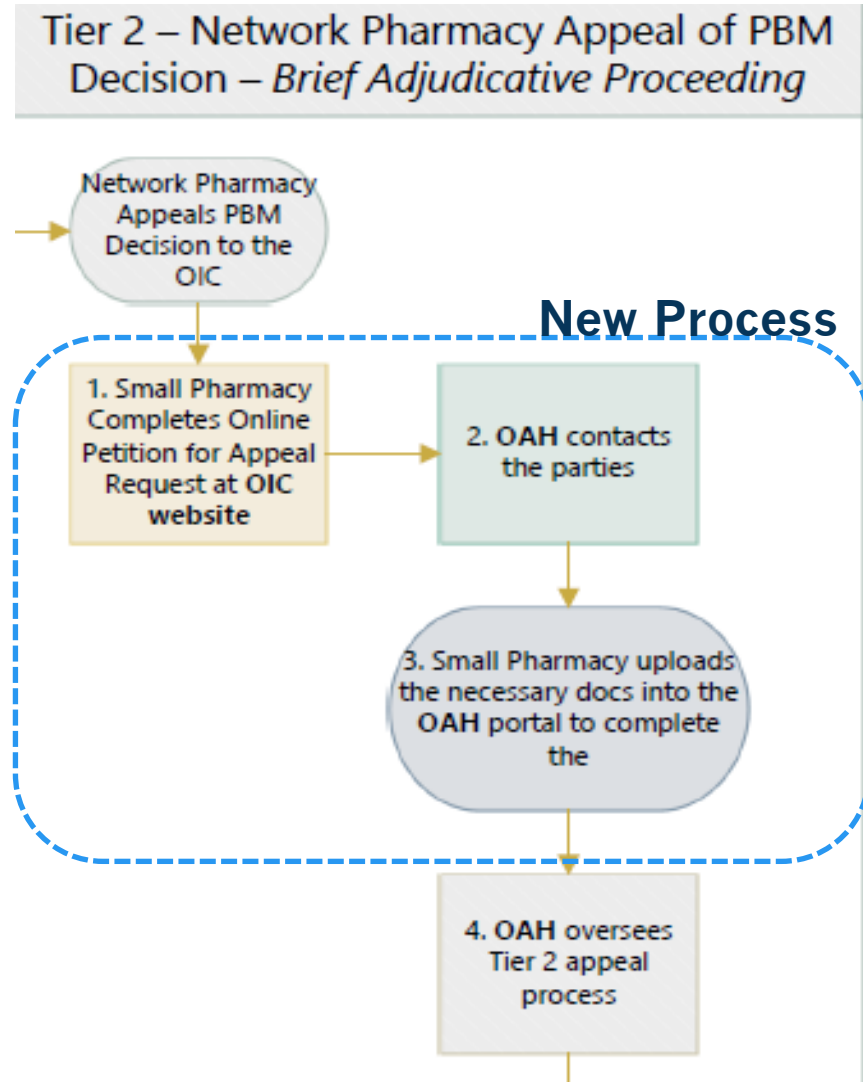
Office of the Insurance Commissioner



Small Pharmacy Reimbursement Appeals



This rulemaking pertains to Tier 2 appeals



2021 Changes to Tier 2's

Tier 2's are now outsourced to the Office of Administrative Hearings (OAH)

- In 2021, there was a sudden and unprecedented high volume of appeals filed (over 100)
- Outsourcing ensures timeliness of the appeal & information security
- Online process; no more paper petitions. Selecting “submit appeal” transmits the petition directly to the OAH
- Required documents are uploaded directly to the OAH's secure portal following their instructions.

1. The online petition form is different

- Instructions for filing are at <https://www.insurance.wa.gov/small-pharmacy-reimbursement-appeals-information>

How a small pharmacy can appeal a reimbursement decision

Small Pharmacy Reimbursement Appeals information


How a small pharmacy can appeal a reimbursement decision

A small pharmacy located in Washington state can submit an appeal to the Office of the Insurance Commissioner (OIC) to review a Pharmacy Benefit Manager's (PBM) decision regarding the reimbursement of a drug's cost. This appeal will be reviewed by an administrative law judge at the [Office of Administrative Hearings \(OAH\) \(oah.wa.gov\)](http://oah.wa.gov).

An appeal may be filed after the small pharmacy has made a reimbursement request with the PBM and received either a denied claim or is unsatisfied with the PBM's determination.

You can file a small pharmacy appeal on the OIC's website if the following is true:

- | It is filed by a small pharmacy that has up to fourteen (14) retail outlets
- | The prescription was filled in Washington state
- | The prescription was filled for a customer covered by a fully insured, non-ERISA plan
- | The prescription was for generic, multi-source drugs
- | The small pharmacy has exhausted the reimbursement process through its PBM
- | The pharmacy has been issued a denial or an unsatisfactory reimbursement
- | If for the cost of the drug
- | It is filed by a person who has the authority, under [WAC 284-180-410 \(leg.wa.gov\)](http://wac.wa.gov), to file the appeal



1. Small Pharmacy Completes Online Petition for Appeal Request at OIC website

1. The online petition form (cont...)

- Scroll down to the form link:

To start the small pharmacy reimbursement appeal process:

Use the link below to fill out the online petition for an appeal. You will not upload any documents at this time. After your online petition for appeal has been submitted, you will be contacted by the Office of Administrative Hearings with further instructions on how to upload the documents required for your appeal.

[Fill out a petition for an appeal of a small pharmacy reimbursement decision](#)

What you will file at the Office of Administrative Hearings

The Office of Administrative Hearings will need the small pharmacy to file the following in order to complete review of the petition for appeal:


- | All documents that were provided to and by the PBM as part of your original appeal invoice
- | Invoice
- | MAC List
- | PBM Determination
- | Other appeal support documents

What happens now?

After you fill out and submit the online petition for appeal, the Office of Administrative Hearings will contact you with further instructions, including how to upload/file the documents necessary to complete the review. The Office of Administrative Hearings will also notify the PBM. The PBM will have an opportunity to respond and file documents for consideration.

The administrative law judge assigned to your appeal will review the documentation provided by the small pharmacy and the PBM. The administrative law judge may request additional information and/or documentation in order to fully review your appeal. If additional documentation is requested, you will have 7 days to provide the requested information to the administrative law judge. Once the time for submission of documents has passed, the judge will review the submissions of both the small pharmacy and the PBM and then issue a decision.

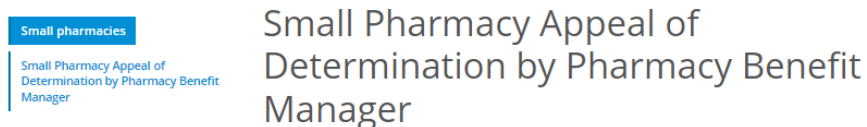
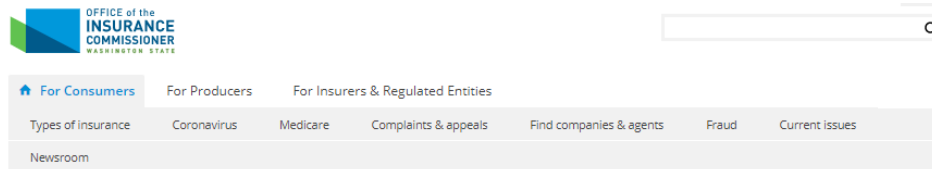
If you are not satisfied with the initial decision, you may request a review of the judge's decision with the OIC.



**1. Small Pharmacy
Completes Online
Petition for Appeal
Request at OIC
website**

1. The online petition form (cont...)

- Follow the steps & fill in all the fields:



Online Petition for Review Form

This online petition for review replaces the portal previously used to file an appeal of a determination by a pharmacy benefit manager (PBM). Complete the following online petition for review of the PBM's determination. You will not attach or file any documents at this time. Once you have completed and submitted the online petition, you will be contacted by the Office of Administrative Hearings (OAH), and will be directed on how to upload the necessary documentation. You will have the opportunity to print and/or save the confirmation page after you submit your petition for review. The time for appeal starts after the OAH has received all the necessary documents.

* Required field

Your contact info

First name *

Last name *

Email *

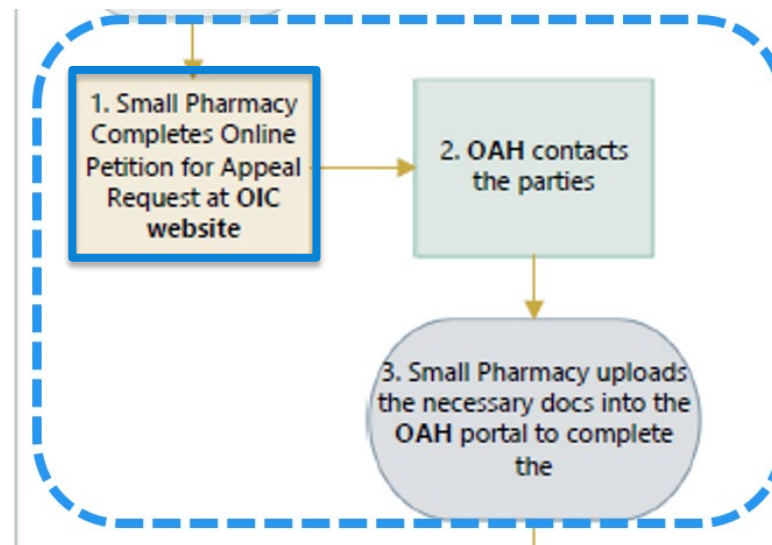
relationship to small pharmacy *
Owner, attorney...etc.

Next >>



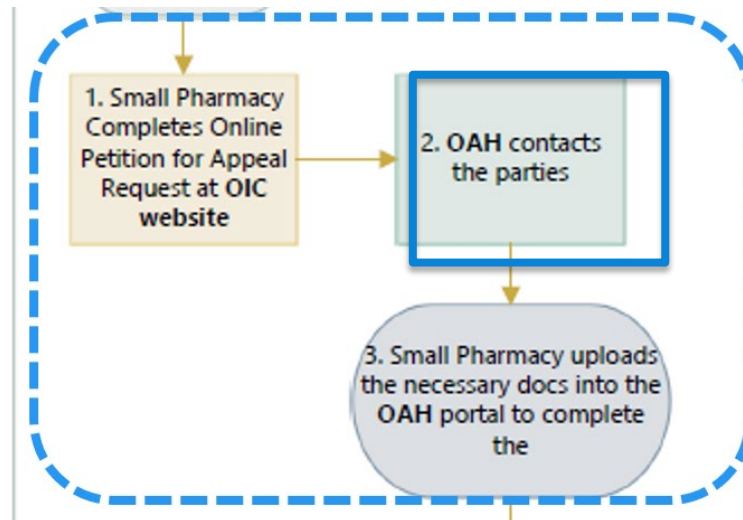
1. The online petition form (cont...)

- UBI and FEIN are no longer needed or on the form.
- The attestation at the end of the form is signed by selecting, "Submit appeal".
- That also submits the petition form directly to the OAH.



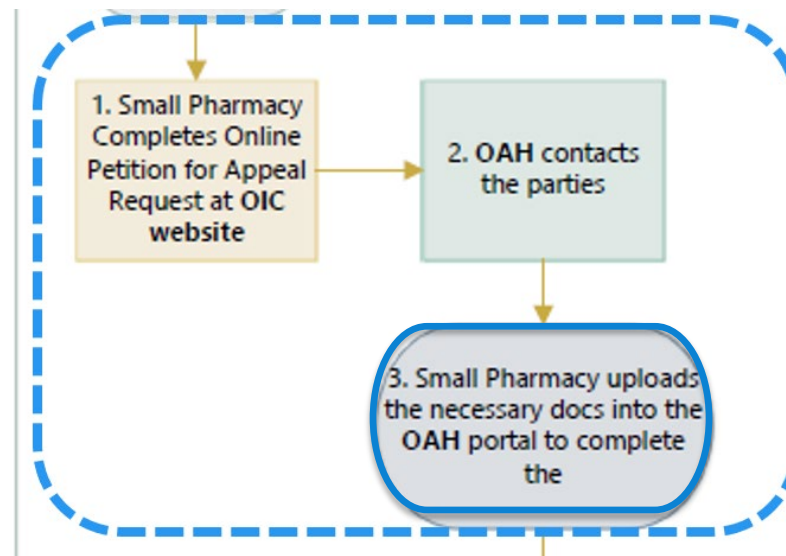
2. OAH contacts the parties

- After an intake, the OAH sends the Small Pharmacy a notice containing instructions for uploading the documents necessary to complete the review.
- The Pharmacy Benefit Manager (PBM) is also notified and will have an opportunity to respond and file documents for consideration.



3. Small pharmacy files documents with OAH

1. The Small Pharmacy uploads their documents to the OAH's Participant Portal located at the OAH website (www.oah.wa.gov).
2. This petition for appeal is then considered complete



Rulemaking Process & Timeline

Interested Parties Meeting SPRA & CR-101

Rulemaking Process & Timeline

CR-101 – Notice of rulemaking

- Comments due Aug 15
- insurance.wa.gov/legislation-and-rulemaking

CR-102 – Proposed rule: *Early September*

- Public Hearing: *November*

CR-103 – Final rule notice of adoption: *December*

CR-101 Comments

Office of the Insurance Commissioner



Questions?

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Comments on CR-101:

Due Aug 15, 2022

Submit to: rulescoordinator@oic.wa.gov