

COVID-19

Personal Protective Equipment

PPE supplies remain in high demand. Some products remain on allocation and restrictions have been lifted on others, but availability changes daily. Please contact vendors directly.

The HPS team receives regular updates from vendors, which are shared with the Senior Account Executive team. Contact Elizabeth Suszynski [via email](#) or at 612.735.3804 or Tricia Nihart [via email](#) with any questions.

Honeywell N95 Mask from Concordance

Concordance Healthcare Solutions has partnered with Honeywell to provide MMCAP Infuse members with access to the Honeywell N95 mask.

This partnership provides members with the opportunity to receive committed volumes of these masks through 2021 at a locked-in price. Interested members should complete an information template, which can be obtained by contacting Wendy Weiss [via email](#) or at 407.332.1282.

***** The deadline for this offer has been extended through November *****

Glove Price Increases

MMCAP Infuse vendors are seeing price increases on gloves (nitrile gloves in particular) and other PPE supplies.

All categories of gloves and some other PPE items have been removed from the core price list. There is now separate tab on the price list and prices will change frequently. Vendors are no longer able to guarantee prices on these items since the pandemic has made their cost wildly volatile. Prices will change dependent on their latest cost.

Members are reminded to contact vendors and check on prices prior to purchasing and monitor invoices to make sure they are receiving the most recent contract prices. Please bring all your price inconsistency and concerns to our attention.

Henry Schein

Henry Schein is working on the Pandemic Preparedness Program. The program will provide buyers lower pricing if they purchase a certain dollar amount of products from a specific list of items. More details will be provided once they are available.

Concordance

Level 2 isolation gowns (item #s 325626, 325632 and 328078) are available to MMCAP Infuse members. Contact Concordance to check pricing. Concordance also has a second respiratory mask available.

McKesson

McKesson has an additional supply of gowns that have been released from allocation and are available for order. These items will remain available while supplies last. Prices are dependent on volume.

They also report signs of improvement for supplies of needles and syringes, but to expect shipping delays on surgical caps.

Medical Solutions

- Medical Solutions has access to a new COVID-19 test. There is a relatively short lead-time of about 2-3 weeks.
- Needles and syringes are becoming tougher to come by, but a small amount of EXEL brand will be available soon.
- Vendor has an overstock of 4 oz. flip top hand sanitizer.
- Medical Solutions is offering a new line of affordable thermal scanners manufactured by CAN-AM. These scanners can be pre-programmed for each site, etc. There is a thermal camera and a thermal scanner depending upon the needs of the agency/facility.

Premier Medical Distribution

Premier Medical Distribution has excess inventory of medium vinyl gloves, as well as 16 oz. and 4 oz. hand sanitizer available.

Senior Account Executives

Regional Development Plans

The Senior Account Executive (SAE) team develops and regularly updates development plans for the states within their covered region.

The development plan provides a list of ongoing activities to build member education and confidence; interact through quarterly business reviews; hold in-person and virtual meetings to create MMCAP Infuse awareness; and gain understanding of how the SAE can support members.

The result is improved facility contract compliance, ensured vendor to member contract attachment, and optimized buying power within each state. SAEs and State Contacts work together to discover new areas where MMCAP Infuse may offer solutions and provide actionable information.

Please [contact your SAE](#) to collaborate on your state specific development plan.

Healthcare Products and Services

Drug Testing

MMCAP Infuse has finalized the following drug testing contracts:

- Micro Distributing, Ltd. – contract # MMS2000371 for Non-DOT testing
- Sterling Healthcare Opco, LLC (dba Cordant Healthcare Solutions) – contract # MMS2000370 for Non-DOT testing

Incontinence Program

MMCAP Infuse has finalized the following incontinence contracts:

- Medline Industries – contract # MMS2000359 (this is a direct contract – members can order directly from Medline or through MMCAP Infuse-contracted distributors)
- Attends Healthcare Products, Inc. – contract # MMS2000363
- DryLock Technologies Ltd. – contract # MMS2000356
- Essity HMS North America, Inc. – contract # MMS2000357

Negotiations with an additional manufacturer are nearing completion. Negotiations between MMCAP Infuse and medical supply distributors continue as we work to secure the best pricing.

BladderScan Prime Plus Bladder Scanners

BladderScan Prime plus bladder scanners are now available to MMCAP Infuse members via Medical Solutions. Members have the ability to trade-in existing units towards the purchase of new equipment.

HPS Contracting Updates

RFP	RFP Released	Responses Received	Evaluation Stage	Contract Negotiations	Contracts in Place	Comments
Animal Health Ref# 28476						Piramal Critical Care Inc. MMS2000352 Continue contract negotiations with three vendors.
Dental Products and Services Ref# 28028						Benco MMS1900156 Darby Dental MMS1900158 Dental Health Products Inc. (DHP) MMS1900120 Henry Schein Dental MMS1900159
Drug Testing Product and Services Ref# 27817 DOT Ref# 27818 non-DOT						Comprehensive Drug Testing DOT MMS200330 Comprehensive Drug Testing Non-DOT MMS200333 Premier Biotech DOT MMS200331 Premier Biotech Non-DOT MMS200334 Micro Distributing, Ltd., MMS2000371, Non-DOT testing Sterling Healthcare Opco, LLC DBA Cordant Healthcare Solutions, MMS2000370, Non-DOT testing.
Incontinence Products Ref# 28632						Medline MMS200359 Attends Healthcare Products MMS2000363 Drylock MMS2000356 Essity MMS2000357 Contract negotiations continuing with distributors.

Vaccines

Federal Excise Tax must be paid on Vaccines

All entities, even government, must pay Federal Excise Tax (FET) on vaccines.

FET is tax money that is put into the Vaccine Injury Compensation Trust Fund. That trust provides funding for the National Vaccine Injury Compensation Program, which compensates for vaccine-related injury or death claims for covered vaccines administered on or after October 1, 1988.

The [Health Resources & Services Administration website](#) includes additional information about FET and the National Vaccine Injury Compensation Program.

Pharmaceutical Program

Pharmaceutical Purchases Through McKesson Medical-Surgical

MMCAP Infuse has two contracts with McKesson Medical-Surgical: MMS18000 for medical products and MMS1900151 for distribution of vaccines, including influenza vaccine.

MMCAP Infuse **does not** have a contract with McKesson Medical-Surgical for pharmaceutical distribution.

Members should be aware that the best value for pharmaceutical products is likely accessed through the MMCAP Infuse-contracted pharmaceutical distributors: Cardinal, Morris & Dickson, and AmerisourceBergen. These vendors load the pricing MMCAP Infuse negotiates with pharmaceutical manufacturers, while McKesson Medical-Surgical does not load this pricing. With the exception of vaccines, purchasing pharmaceuticals through McKesson Medical-Surgical likely means you will pay full price and no Cost of Goods discount will be applied. Pharmaceutical purchases through McKesson Medical-Surgical, while convenient, should be weighed against cost.

The best value for routine vaccine distribution may be different depending on your needs. When choosing an option for routine vaccine distribution, please consider your needs and the following: product; price; procurement requirements (e.g., MPA, etc.); Shareback (only available through pharmaceutical wholesalers); wholesaler Cost of Goods discount/prompt payment terms from direct sales; ease of ordering; minimum order requirements; delivery fees; and delivery dates (e.g., next day vs. scheduled delivery day).

If you are interested in discussing your options for routine vaccine distribution, please [contact your MMCAP Infuse Senior Account Executive \(SAE\)](#) or the [MMCAP Infuse Contracting Team](#).

The MMCAP Infuse contracted options for ordering routine vaccines include (distribution may depend on the product ordered):

1. MMCAP Infuse-contracted Pharmaceutical Wholesalers: Cardinal, Morris & Dickson, and AmerisourceBergen (depending on state selection)
2. Direct from MMCAP Infuse-contracted manufacturers: GSK, Grifols, Merck, Emergent Travel Health, Pfizer (coming soon!), and Sanofi Pasteur
3. MMCAP Infuse-contracted Routine and Influenza Vaccine Distributors: FFF Enterprises, Inc., ASD Specialty Healthcare, and McKesson Medical-Surgical

Additional Latuda Discounts Now Available to Correctional Facilities

As part of the new contract with Sunovion Pharmaceuticals, Inc. (contract # MMS2000295), the vendor has agreed to make correctional pharmacies eligible for additional discounts on Latuda that were previously limited to hospitals. Facilities interested in accessing this reduced pricing will be required to submit the Letter of Commitment attesting to their class of trade and their willingness to make Latuda readily available for patients at their facility. For additional program details and to access the Letter of Commitment, please log in to the “Contracts” page on the MMCAP Infuse legacy website and scroll down to Sunovion Pharmaceuticals, Inc.

UCB’S NAYZILAM In Stock

In the October edition of the MMCAP Infuse News, UCB reported a temporary shortage of NAYZILAM (midazolam) nasal spray, C-IV (NDC# 50474-0500-15). UCB released NAYZILAM back to the market on or about October 30, 2020, and remains committed to providing product to patients as soon as possible. NAYZILAM is on the MMCAP Infuse/UCB contract (contract # MMS2000292) and should be available from the MMCAP Infuse contracted pharmaceutical wholesalers.

WoundCon

Some MMCAP Infuse Members may be interested in attending the WoundCon virtual wound care conference and expo taking place on Friday, November 13, 2020, from 8 a.m. until 6:30 p.m. EST. WoundCon is available for free to all health care professionals. For those that can’t attend live, WoundCon Fall 2020 will also be available on-demand, for 1 week after the live event. [Register here](#).

Vivotif and Vaxchora Temporarily Discontinued

Members that purchase the typhoid fever vaccine, Vivotif (NDC# 69401-0000-02), or the cholera vaccine, Vaxchora (NDC# 70460-0004-01), should have recently received an announcement from the manufacturer, Emergent Travel Health (formerly known as PaxVax) that they are temporarily discontinuing distribution/manufacturing of both products due to significant reduction in demand.

The last shipment from the manufacturer will be December 17, 2020, but the products may still be available at your wholesaler beyond that date until they deplete. The products will be removed from contract effective December 31, 2020. Online ordering on the EmergentTravelHealth.com website has been disabled, but products can still be ordered through the Emergent Travel Health Customer Care phone line and email and through your pharmaceutical wholesaler.

For product returns: If you purchased product through your wholesaler, you can contact them to return the product(s). If you purchased product directly from the manufacturer, you can reach out to Emergent Travel Health Customer Care.

Distribution of both Vaxchora and Vivotif will resume upon the recovery of international travel impacted by COVID-19.

Repackaging Contract Update

- Remedy Repack, Inc. (contract # MMS18027) has been extended to February 28, 2022.
- Safecor Health (contract # MMS18028) has been extended to January 14, 2022.

Pharmaceutical Wholesaler Distribution Services

Cost of Goods (Service Fee Discounts) Updated for an effective date of November 1, 2020

The Cost of Goods (COG) validation process has been completed for each of the wholesalers and files have been posted the MMCAP Infuse legacy website. The updated COG went into effect on November 1, 2020, utilizing the service fee discount matrices found in Attachment C of each of the wholesaler contracts. The next COG review is in January (October, November, and December sales) and goes into effect February 1, 2021.

The updated COG information can be found on the MMCAP Infuse legacy website. To access:

- Follow the link in the upper right-hand corner of the [MMCAP Infuse website](#).
- Enter your username and password.
- Click on “Member News,” then “MMCAP News,” then select “Pharmaceutical Wholesaler Cost of Goods,” and click on the Wholesaler COG by Facility document that applies to your state.
- Locate the file showing an effective date 11-1-2020. (For members’ convenience, both the current file and the prior quarter file are kept on the website.)

If you have any questions about the COG updates, contact Debra López-Burandt at 651.201.3053 or [via email](#) or Jason Hexom at 651.201.3127 or [via email](#).

Optimizing Wholesaler Value

Cost of Goods (COG) discounts are part of the value offered to members within the pharmaceutical wholesaler distribution services contracts. These COG discounts are provided to members in a matrix, utilizing two dimensions: Aggregated State Monthly Purchase Volume and Payment Terms. Exploring how quickly your facility can turn the payment of your invoices may create some addition leverage in setting your payment terms or calculating a weighted average payment days, which could yield a lower net cost on your purchases.

Facility Payment Terms	\$1 to \$500,000	\$500,001 to \$1,000,000	\$1,000,001 to \$2,000,000	\$2,000,001 to \$4,000,000	\$4,000,001 to \$6,000,000	\$6,000,001 to \$12,000,000	\$12,000,001 to \$18,000,000	\$18,000,001 to \$24,000,000	\$24,000,001 and Above
30 Day Pre-Pay									
15 Day Pre-Pay									
7 Day Pre-Pay									
Next Day Pay									
7 Day Net									
15 Day Net									
30 Day Net									
45 Day Net									
60 Day Net									
90 Day Net									

This is a rather generic grid, representing the two dimensions of the COG matrix. As an example, if your state has a monthly aggregated purchase volume between \$2 million and \$4 million, and either your selected term is 30 Day Net or your weighted average payment days is greater than 15 and less than or equal to 30, the percentage shown in the grid at the intersection (highlighted yellow) would be the COG discount for your facility.

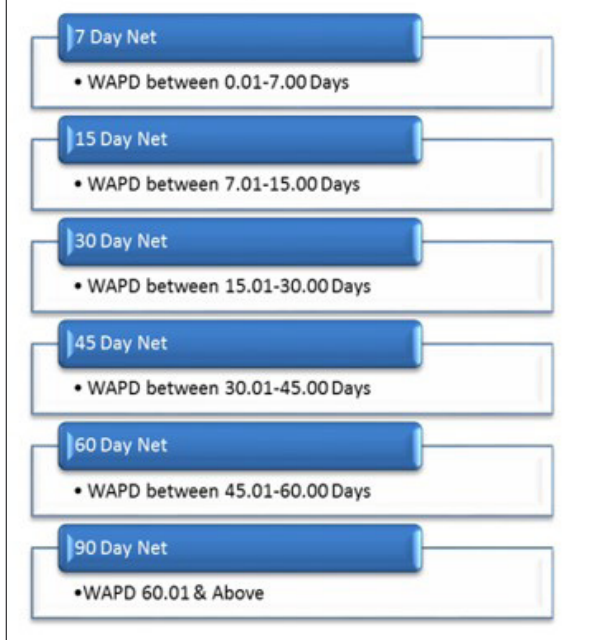
With AmerisourceBergen (contract # MMS190014) and Morris & Dickson (contract # MMS1900115), members select their payment terms and the COG discount is then tied to that payment term and

the aggregated state volume tier. These two contracts have late fees that can be assessed if payments are not received in accordance with the selected payment terms. To avoid late fees, members can change their payment terms if the selected term is too aggressive, or not aggressive enough, to meet the actual payment cycle. Contact your respective wholesaler representative to make the appropriate changes to payment terms, should be needed to eliminate late fees.

Cardinal does not assess late fees, but reviews the payment history for the previous quarter, calculating a weighted average payment days (WAPD), and depending upon the result, ties that to a payment term in the grid. The table to the right identifies the WAPD to payment term conversion:

Credits applied to relieve open invoices is another opportunity to optimize wholesaler value. The wholesalers will not apply open credits on an account; they require direction from the responsible party for that account to identify a specific open invoice to apply an open credit. One example of an open credit is the credit generated by the MMCAP Infuse Shareback. These credits will remain as open credits until the wholesaler is given direction as to which open invoice the credits should be applied. Please review your account statement and if you find that you have open credits on your account, you are encouraged to use those credits to relieve open invoices.

WAPD to Pay Term Conversion:



Planned Closure Notifications

As we head into the holiday season, it is time to think about “non-standard” holidays, like Veterans Day and the Day After Thanksgiving that might be applicable in your state. The wholesalers observe six national holidays (New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas Day). These six days are clearly defined as days that deliveries from wholesalers are not expected to occur. However, if there are additional holidays in which staff will not be available to accept a delivery, you may need to provide notification.

If you are placing an order in the days before a holiday closure (either full- or partial-day), please use the available tools (wholesaler ordering systems, customer service call centers) to advise your wholesaler that staff will be available to receive orders.

There are many expenses associated with a failed delivery: labor to pick the order, loading it onto the delivery truck, transportation to the facility, transportation to return with the undelivered order, restocking, etc. These costs are borne by the entire distribution system, so the entire system benefits when these expenses can be averted. Also, Cardinal Health has a \$60 delivery fee imposed when a facility fails to inform the distribution center of a “planned” closure. A planned closure includes state/city/county holidays for which Cardinal is still in operation. This fee will not be assessed if the delivery attempt failure is due to an unexpected facility closure, like some of the recent severe weather closures caused by Hurricane Zeta. The 2020 hurricane season has not as yet concluded for the year, so there could be additional hurricane related closures that could impact the timeliness of deliveries.

Wholesaler Generics Program

Cardinal Health: the contracts that will be considered to be “on-contract” are:

- MNMULT (MMCAP Infuse Contract Products)
- SPDMIN (MMCAP Infuse Contract Products designated as Specialty)

Source Portfolio	Abbreviation	Previous
State Govt Source - State	GOVSRC	GOVSRC
Access Continuum A - State	GOVACC	ACA
LTC Backup - State	GOVSBU	LTCBAC
LTC Injectables - State	GOVINJ	LTCINJ

Morris & Dickson: the contracts that will be considered to be “on-contract” are:

- G (MMCAP Infuse Contract Products)
- M (Wholesaler generic program products)

AmerisourceBergen: the contracts that will be considered to be “on-contract” are:

- MMST (MMCAP Infuse Contract Products)
- PRxO (Wholesaler generic program products)

For questions, contact Debra López-Burandt at 651.201.3053 or [via email](#) or Jason Hexom at 651.201.3127 or [via email](#).

DSCSA Information Corner

[FDA's DSCSA website](#)

To support MMCAP Infuse members regarding the storage and accessing of 3T Data to respond to an FDA inquiry in the required 48-hour request time, MMCAP Infuse has two service subscription vendors with web-based solutions to allow members to consolidate all their 3T Data into one repository. In addition, should an MMCAP Infuse member transition from one wholesaler to another, this solution will allow for the storage of past 3T Data, and current 3T Data, providing a repository that can become the “one location” source to search and access the 3T Data in the event of an FDA inquiry.

DSCSA Solution Provider	Contract
rfXcel	MMS18021
Inmar-RXT, LLC (formerly RxTransparen-The Forerunner Group)	MMS18022

If you have questions, contact Debra López-Burandt at 651.201.3053 or [via email](#).

New enforcement dates:

- Saleable Returns Verification: Nov 27, 2023.
- Dispenser Verification of Product Identifiers of Illegitimate Product: Nov 27, 2023.

In 2019, the FDA issued a 1-year delay for the enforcement of the Drug Supply Chain Security Act (DSCSA) requirement for wholesaler distributors to verify a product identifier (PI) prior to further distributing returned product.

With the 2020 enforcement date approaching, the FDA provided procedural guidance, posting this guidance to its website on October 22, 2020, identifying an additional three-year delay, noting, “FDA does not intend to take action against wholesale distributors who do not, prior to November 27, 2023, verify the product identifier prior to further distributing returned product as required under section 582(c)(4)(D) of the FD&C Act. This represents an additional 3-year delay from the delay set forth

in the 2019 Compliance Policy in enforcement of the requirement for wholesale distributors to verify the product identifier prior to further distributing that returned product.”

Included in this recent procedural guidance release, there was an enforcement delay for dispensers. The FDA cited that it “... does not intend to take action before November 27, 2023, against dispensers who do not verify the product identifiers of illegitimate product that are the subject of a notification from FDA or a trading partner as required by section 582(d)(4)(B)(iii) of the FD&C Act. This represents a 3-year delay in enforcement of the requirements for dispensers to verify the product identifier when investigating suspect or illegitimate product.”

Background: some industry players have been concerned about quarantined product and potential drug shortages if proper systems were not put in place to verify returned product in time.

The FDA acknowledged feedback and comments from the industry since the 2019 Compliance Policy announcement over “industry-wide readiness for implementation of the verification of saleable returned product requirement for wholesale distributors and the challenges stakeholders face with developing interoperable, electronic systems to enable such verification and achieve interoperability between networks.”

The FDA pointed to the following stakeholder issues:

- Continuing challenges posed by the large volume of saleable returned product. More time is needed for distributors to test verification systems with real-time volumes vs. small scale pilot volumes of returned product.
- Significant delays in testing verification systems due to the priority of responding to the COVID-19 pandemic, “namely the reassignment of logistics and supply chain experts from DSCSA matters to COVID-19 pandemic response.”

While these requirements have been delayed to 2023, MMCAP Infuse members must ensure they are doing the following, supported by written pharmacy standard operating procedures (SOPs) for there is no enforcement discretion in place:

Authorized Trading Partner

- MMCAP Infuse members must do business only with Authorized Trading Partners and keep track of the state and federal licenses of their trading partners.

Verification

- MMCAP Infuse members must put systems in place to quarantine a suspect product and conduct investigations to determine illegitimacy, then report those findings to the FDA and their trading partners.
- MMCAP Infuse members may satisfy verification requirements by developing a secure electronic database or using a secure electronic database developed by third party.

Lot Level Product Tracing

- MMCAP Infuse members must receive an electronic transaction history, transaction information, and a transaction statement (3Ts) for each product before or at the time of the transaction.
- MMCAP Infuse members must send the product’s 3Ts before or at the time of the transaction.
- MMCAP Infuse members must capture 3Ts as necessary to investigate a suspect product.
- MMCAP Infuse Members must maintain that 3Ts information for **at least six years** after the transaction.

Request for Information

□ MMCAP Infuse members must respond to any request for information from the FDA or any other state or federal agencies relating to a recall or suspect product investigation.

Product Transactions Only with Product Identifier (PI)

□ As of November 27, 2020, MMCAP Infuse members can only accept product with a product identifier (2-D barcode) unless product entered into commerce on November 26, 2018, or earlier. Review of 3T data for products without the PI (2-D barcode) will provide confirmation of whether or not the product was placed into commerce on or before November 26, 2018 or earlier. If the 3T data does not confirm this, the product must go into quarantine, until said product can be returned to the vendor source.

Per the guidance: “This does not affect the requirement that as of November 27, 2020, a dispenser may engage in transactions involving a product only if such product is encoded with a product identifier (except as provided pursuant to section 582(a)(5) of the FD&C Act), and this compliance policy does not affect the other activities required by section 582(d)(4)(A) and section 582(d)(4)(B) by incorporation (e.g., dispensers must still quarantine product, conduct investigations, and disposition illegitimate product). This compliance policy does not relieve a manufacturer of its verification obligations pursuant to section 582(b)(4)(C) of the FD&C Act upon receiving a request for verification from an authorized dispenser.”

Membership

MMCAP Infuse Membership Application

For expedited processing and approval of MMCAP Infuse applications, please make sure that prospective members from your state are using the most up-to-date version. The application [can be accessed here](#). That page will always include the most recent version of the application.

