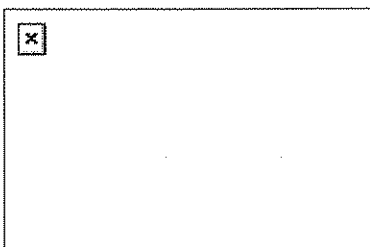


Ansay, Peter - DOA

From: Dustin Buse (ADM) [Dustin.Buse@state.mn.us]
Sent: Tuesday, August 04, 2009 10:29 AM
To: Ansay, Peter - DOA
Subject: MMCAP News August 2009

**MMCAP News, August 2009**

Dear State Contacts:

“MMCAP News” is issued monthly to provide the latest information on the MMCAP program and keep you in front of the curve on important items that may affect your state’s facilities. If you have any questions, please contact MMCAP at 651-201-2420 or mn.multistate@state.mn.us.

INFLUENZA VACCINE**Preparation for Resurgence H1N1 (Swine Flu)**

MMCAP has been in contact with the Centers for Disease Control and Prevention (CDC) in reference to assisting in anyway possible for the relay of information and/or distribution of the H1N1 vaccine. To date the CDC retains complete control over which people and facilities will be receiving the vaccine. MMCAP will provide information to its members as it becomes available.

As a reminder, MMCAP has access to several N95 respirators. Standard N95 are available through the contracted medical supplies vendors, PSS and McKesson. MMCAP also has a separate contract with Redbird Medical Supply for specialized disease neutralizing N95 respirators. Ordering information and pricing are available on the MMCAP contract page under “Medical Supplies.”

In the next few weeks, MMCAP will be compiling information for its membership on the products available to members to combat this pandemic.

Seasonal Influenza Vaccine

ASD, CSL, and GSK have provided notice to MMCAP that influenza vaccine is being prepared for shipment and is expected to be released in the next couple weeks. The Influenza News section of the MMCAP web site will be updated as information is released.

http://www.mmd.admin.state.mn.us/mmcap/flu_nm/publish/index.html

RESPONSE TO COMPETITOR’S SAVINGS CLAIMS -- Reminder

MMCAP continues to receive reports that participating states are being contacted by competitors claiming cost savings over MMCAP’s pharmaceutical contracts. MMCAP again cautions its members regarding such claims as they are often based on incorrect analyses or misleading information. In July, MMCAP issued a letter in response to these claims. For a copy, please contact MMCAP at 651-201-2420 or mn.multistate@state.mn.us.

8/4/2009

DENTAL PROGRAM

On July 31, 2009, MMCAP and the State of Minnesota have issued a solicitation for Dental Supplies and Small Equipment. A copy is available at: <http://www.mmd.admin.state.mn.us/process/admin/postings.asp>. Scroll down to Reference Number 13089. The new dental supplies contracts are still on track to be in place by September 1, 2009.

PHARMACEUTICAL PROGRAM

Refund of Unauthorized Fee Charged by Cardinal Health for Returned Goods Processing
 Earlier this year MMCAP learned that Cardinal Health has been deducting two percent (2%) from the returned goods processing credit it receives from Guaranteed Returns prior to crediting an MMCAP member facility's wholesaler account (this fee is taken on the gross credit prior to the Guaranteed Returns fee being deducted). The fee is not and was never authorized by the MMCAP/Cardinal contract. MMCAP has asked Cardinal to cease deducting the fee and reimburse members for all fees collected from the initiation in 2000. To date, Cardinal continues to deduct the fee and has offered to settle this matter with MMCAP members for 3/4 of the \$1 million owed. Last week, the MMCAP Advisory Board unanimously recommended that MMCAP continue to pursue the full refund. It is MMCAP's position that this issue must be resolved prior to the initiation of any new contract. We will keep you informed of the progress on this important issue.

Prime Vendor Selections

MMCAP is in the middle of negotiating the new prime vendor contracts with the goal of a September 1, 2009, start date. MMCAP will keep you posted as the process continues to move forward.

Vendor Blocks

Follow up continues with facilities that have been blocked by pharmaceutical manufacturers from receiving contract pricing. Vendor blocks occur at the wholesale distribution level when a pharmaceutical manufacturer denies contract pricing. Several of MMCAP's sole source (brand name) manufacturers have contract eligibility language in their contracts stating exactly which facilities are eligible for contract pricing. There are three main reasons why a vendor block might occur: 1) The facility truly does not meet the eligibility requirements specified in the MMCAP contract, 2) The manufacturer has incorrectly determined that the facility does not meet eligibility requirements, and 3) A vendor block has incorrectly been placed by the wholesaler. MMCAP will be reviewing non-contract sales on a monthly basis to help manage vendor blocks. MMCAP may be contacting facilities directly for information regarding their correct class of trade; this process has already started with several members being asked to complete Class of Trade forms for Forest Pharmaceuticals.

GENERAL INFORMATION

Monthly Call-In Opportunity

On Wednesday, August 12, 2009, MMCAP will again host an hour long opportunity for members to discuss issues. The call begins promptly at 11 a.m. Central time. As a reminder, call-in participants should respectively convey questions and consider issues raised by other MMCAP members.

Agenda items:

Please send suggested topics for discussion to mn.multistate@state.mn.us by Friday, August 7, 2009. MMCAP will send an agenda shortly prior to the call.

Call in instructions: Dial 1-800-621-7628, Pass code 40498.

If you have questions about any of these items, please feel free to contact me or contact MMCAP at: 651-201-2420 or mn.multistate@state.mn.us

Thank you for choosing MMCAP!

8/4/2009