

Applying Managed Care in Chain Pharmacies



Pantea Ghasemi, USC Pharm.D. Candidate of 2015

Preceptor Dr. Craig Stern

Pro Pharma Pharmaceutical Consultants, Inc.

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Objectives

1. Define Managed Care
2. Define Chain Pharmacy
3. Where does chain store pharmacies fit into Managed Care?
4. Challenges and solutions available for chain pharmacies to advance Managed Care
5. The future of Managed Care in chain pharmacies
6. Summary

Managed Care Definition

- An organized health care delivery system designed to improve both quality and accessibility of health care while containing cost
- Participants
 - Members
 - Pharmacies
 - Healthcare professionals: prescribers, pharmacists, nurses, etc.
 - Plan sponsors: health plans, government organizations
 - Pharmacy Benefit Managers (PBM)
 - Consultants

Goals of Managed Care

- Prevention of disease
- Focus on wellness and improve quality of life for patients
- Utilization management:
 - Prior Authorizations (PAs)
 - Drug Utilization Reviews (DURs)
 - Step-therapy
 - Quality limits
- Improve outcomes
- Control costs

Chain Pharmacy

- Pharmacies owned or operated by a publicly traded company
- Consist of 4 or more store locations
- Located based on regions and statewide
- Open late at night or 24 hours
- Central computer database (can fill prescriptions at any location all over the country)
- More medications available

Fitting Chain Pharmacies in Managed Care

- Pharmacies may contract with health plans to join a “**Pharmacy Network**”
- Pharmacy Network: a **contracted group of pharmacies** that provide incentivized rates to a managed care organization (MCO), lowering costs for MCOs and patients
- Health plans and PBMs contract with chain pharmacies to ensure members full access to pharmacy benefits (Ex. CVS Caremark)

Challenges in Chain Pharmacies Involving Managed Care

1. Communicating with physicians or patients about PA denials or why a medication is not covered by insurance
2. Enhancing process and clinical outcomes
3. Dealing with disease management
4. Having limited time to provide consultations to every patient

Solutions to the Challenges

1. Communication

- Pharmacist need to be able to **translate** the information from insurance denials for non-covered medications to PAs to patients in **laymen terms**
- Be able to respectfully explain one's **recommendations to prescribers** about switching a patient's medication
- Be able to explain how health plans are constructed along with **PBMs and formularies** to patients
- Providing **Newsletters** about health plans or PBMs or managed care, paints a picture for patients to better understand the health care system

Solutions: 2. Enhance Process

Outcomes

- **Vaccinating** potential patients helps prevent outbreaks in the population (saves health care cost)
- Dealing with **drug shortages** and if the price from manufacturer is below pharmacy's cost, calls to adjust the price and allow patient to have **access** to the medication
- Burrowing medication from another location if your store is out of the medication (have broken the access barrier for the patient)
- Conduct weekly check for **out-dated medications** (prevents harm reaching the patient)

Solutions: 2. Enhance Process Outcomes (cont.)

- How long does a patient have to stand in line to receive their medications?
- Pharmacist need to change their perspective about placing patients first which will change their perspective on value
- To improve process outcomes pharmacist should step away from the back of the pharmacy and go up to patients and ask for their name to pull their medications while they wait in line
- Patients will realize that their time is valued
- Makes the process more efficient

Solutions: 2. Enhance Clinical Outcomes

- The outcome of medications taken by patients
- When a patient receives a blood pressure medication what is the outcome?
- Pharmacist should monitor outcomes either by having access to patient's labs, or asking the patient directly about how they are tolerating the medicine or ask about patient's at home blood pressure readings
- Also can assess outcomes by evaluating patient's refill frequency of medications (assess compliance)
- Conduct **generic substitutions, switches** to over-the-counter medications saves money and enhances the quality of care for patients

Solutions: 3. Disease Management

- **Medication Therapy Management** saves money for patients, prevents duplication in therapy
- As Manage Care moves towards ACOs (Accountable Care Organizations), pharmacist may be paid by capitations (per patient not service)
- Pharmacist will work with a network of professionals managing patient's multiple disease states and medication therapy
- Pharmacist's interventions will lower cost and enhance quality of care for health care system

Solutions: 4. Limited Time

- Due to high volume of work in chain stores, pharmacists **lack sufficient time** to educate patients
- Pharmacist counsel patients on their medications but only have enough time to talk about the common or urgent type of information and may forget to say certain important points
- If pharmacies invest in designating a “**Clinical Pharmacist**” for certain region to deal with these issues will provide education for all the patients
- This allows for the other pharmacist to focus in catching mistakes on prescriptions and cut down on patient waiting time
- This idea goes along with the Health Care Model and Managed Care, where the patients come first

The Future of Managed Care and Chain Pharmacies

- Continued use of network pharmacies
- Increased integrated systems
- Integration of pharmacy data with medical data (hospital, physician, laboratory) at the point-of-service (POS) level for improved outcomes
- Incorporation of clinical pharmacists in community pharmacies (ex. Minute Clinics)
- New technology such as the Glooko tracker

Summary

- Applying Managed Care to chain pharmacies is about being able to **translate the information** to patients that is understandable
- Pharmacist can apply and improve many elements pertaining to managed care in chain pharmacies (PAs, insurance rejects, DURs, saving patients money)
- There are many challenges to how pharmacist can deal with managed care issues but the **future looks promising**

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Thank you!

Any Questions?

