PAYMENT FOR PHARMACIST SERVICES

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OBJECTIVES

- Discuss Senate Bill No. 493
- Discuss changes in pharmacy services around the U.S
- Discuss Fee-for-Service model
- Discuss Integrated Care model
- Discuss Direct Contracting model
- Identify the next steps for pharmacists moving forward
SENATE BILL NO. 493

- **California** state legislation
- Expanded the **value of pharmacist delivered services**
- Passed in October 2013
Pharmacists are authorized to:

- Administer **drugs or biological** products
- Provide **self-administered hormonal contraceptive**
- Provide **nicotine replacement** products
- Provide **prescription medications** recommended for **international travelers**
- Order and interpret **tests** to manage drug therapies
- Administer **routine vaccinations**

ADVANCED PRACTICE PHARMACIST

• Further **expanded the scope of practice** for pharmacists

• Pharmacists are authorized to:
  - Perform **patient assessments**
  - Order and interpret **drug therapy-related tests**
  - **Refer patients** to other health care providers
  - **Initiate, adjust, or discontinue** drug therapy

AROUND THE U.S.

- **Pharmacy and Medically Underserved Areas Enhancement Act (H.R. 592 & S 314)**
  - National legislation introduced in January 2015
  - Would recognize pharmacists as providers under Medicare Part B

- **SB 5557 (Washington) & HB 2028 (Oregon)**
  - Authorizes pharmacists to be in provider networks and be paid for their clinical services
SHOW ME THE MONEY

- The bill did not include language regarding reimbursement for pharmacist patient services

- Fee-for-Service (FFS)

- Integrated Care

- Direct Contracting
FEE-FOR-SERVICE (FFS)

- Healthcare providers are reimbursed for the clinical services they provide
  - MTM – CPT Codes: 99605, 99606, 99607

- Pharmacists are reimbursed by third-party payers for dispensing medication
  - PBMs are not designed to pay for patient care services

- Reimbursement for pharmacist patient services may be included in the medical benefit managed by the health plan
**FFS: BARRIERS FOR PAYMENT**

- **Lack of awareness** for non-dispensing patient services
- **No clear mechanism** for pharmacists to be compensated for the services
- **MTM** – PBMs already offer this service
- **Smoking Cessation** – pharmacist is not in network of providers
- **Immunizations** – inconsistent coverage
FFS: THE GOOD & THE BAD

• **Strengths & Opportunities**
  - FFS is an *established model*
  - Improves access to care
  - Pharmacist services moves *beyond dispensing drugs*

• **Weaknesses & Threats**
  - Inconsistent benefit designs
  - Pharmacists are *not included in the network* of providers
  - FFS may *inflate health care costs*
  - Moving away from traditional FFS plans
INTEGRATED CARE

- Providing quality, affordable, and coordinated care to patients through all aspects of healthcare

- Issues grants to primary care providers who work with interdisciplinary teams

- Patient Centered Medical Homes (PCMH)

- Accountable Care Organizations (ACOs)
PATIENT CENTERED MEDICAL HOME (PCMH)

- Care delivery model where treatment is coordinated through the patient’s primary care physician

- Functions and attributes include:
  - Comprehensive Care
  - Patient-Centered
  - Coordinated Care
  - Accessible Services
  - Quality and Safety
ACCOUNTABLE CARE ORGANIZATION (ACO)

- Medical organizations made up of physicians, hospitals, and other healthcare providers

- Agrees to be held accountable for the quality and cost of care for Medicare beneficiaries
  - CMS evaluates whether an ACO actually saves money

- Must meet quality requirements and the minimum savings threshold
• Employer **directly contracts with providers** to offer patient care for their employees

• Employee can **schedule appointments** with a pharmacist

• Pharmacist may provide **smoking cessation, disease management, or preventative healthcare services**
DIRECT CONTRACTING EXAMPLE I: THE ASHEVILLE PROJECT

- Collaboration between the North Carolina Center for Pharmaceutical Care and the City of Asheville

- Pharmacists are paired with patients with chronic health issues and coordinate with physician

- Resulted in lower health care costs and clinical improvements for diabetes
DIRECT CONTRACTING EXAMPLE II: WELLNESS PROGRAMS

- Pharmacists can provide their services to employers who want to **promote wellness and reduce disease burden**.

- Services may be provided **in the office or workplace**:
  - Flu shots
  - Smoking Cessation
  - MTM
  - Disease Management
KEY INFLUENCERS FOR WELLNESS PROGRAMS

• Employer groups
  o Establish relationships with human resources and benefit managers to market their services
  o Reduced absenteeism

• Benefit design consultants
  o Reviews health benefit options
SUMMARY: NEXT STEPS FOR PHARMACIST

- The expanded scope of pharmacist patient services creates **higher expectations**
  - Greater liability
  - Positive patient outcomes
  - Decreased utilization
  - Reduced costs

- **Negotiate contracts** to include pharmacists as paid providers

- **Continue to provide optimal care** for their patients to validate the significance they have in improving patient outcomes and reducing costs
THANK YOU

- Questions?
REFERENCES

