

PAYMENT FOR PHARMACIST SERVICES



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UNDER THE PRECEPTORSHIP OF DR. CRAIG STERN**

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PROPHARMA
PHARMACEUTICAL CONSULTANTS, INC.

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

SENATE BILL NO. 493 (continued)



- 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**

DIRECT CONTRACTING



- 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**
 - Establish relationships with **human resources** and **benefit managers** to market their services
 - **Reduced absenteeism**
- **Benefit design consultants**
 - 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?*

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