Pharmacy Benefit News

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Specialty Spotlight

Financiers Buying Urgent Care Centers

Tenent Health Care (THC) announced that it has acquired Brentwood, TN-based CareSpot Express Healthcare (CareSpot) in its USPI joint venture. CareSpot is a regional urgent care provider operating 53 urgent care centers across Florida, Kansas, Missouri and Tennessee and has been owned by private equity firm Welsh, Carson, Anderson and Stowe since 2011. HCA's TriStar Health and HCA Midwest Health System had 10 urgent care center JVs in middle TN and 8 urgent care center JVs in the greater Kansas City area with CareSpot, respectively. According to the press release, CareSpot will operate as a division of USPI and the acquisition will add 35 urgent care centers across FL and TN. CareSpot divested the remaining 18 centers which were operating under the HCA partnerships, and based on our discussions with management we believe HCA will be assuming operations of these facilities.

Source: Tenet JV buys most of CareSpot's locations | Nashville Post. (n.d.). Retrieved February 10, 2016, from http://www.nashvillepost.com/home/article/20487815/tenet-jv-buys-most-of-carespots-locations

Comment:
Note that Outpatient and Urgent Care are higher-growth, higher-margin opportunities. As a result, it is no surprise that financial funds see opportunity. It is expected that these financiers will bring more cost management, operational efficiencies, and financial stability to outpatient care. Others will argue that patients are not being treated as individuals, but as revenue producers. This is not necessarily a bad debate. The competition between competing views can bring a balance of cost-effective patient care while also being sensitive to patient needs. This competition is common in retail. We can only hope that free market competition can provide a better and affordable solution to patient care.

Seattle Pharmacy Makes House Calls

Virginia Mason Medical Center has partnered with Kelley-Ross Pharmacy in Seattle to provide home visits as part of a pilot project to reduce health care costs. During the first 3 months after 15 heart failure patients are discharged from Virginia Mason, Kelley-Ross pharmacists will check in with them three times in their homes and three times over the phone. "We really try to set patients up for success once they get home," said Anne Casey, Director of Virginia Mason Heart Institute.She goes on to say, "a lot of people get confused (about medication) and having a pharmacist is great because they have the clinical expertise they need." Pharmacists can help patients adhere their medication regimen after leaving the hospital, which will help limit hospital readmissions. Casey said there have been no readmissions among patients enrolled in the program since it launched in August.

This Seattle pharmacy makes house calls to keep hospital readmissions down - Puget Sound Business Journal. (n.d.). Retrieved February 10, 2016, from http://www.bizjournals.com/seattle/blog/health-care-inc/2015/11/this-seattle-pharmacy-makes-house-calls-to-cut.html

Comment:
The mid-level and physician extender model is grounded in the notion that severity of illness is a primary determinant in allocating the most appropriate care giver to the patient. Using pharmacists as physician extenders certainly has benefits. Congestive Heart Failure (CHF) patients can be kept out of the hospital by taking daily weights and reporting any weight increases to their physician or primary care giver. Yet, we shouldn't ignore the fact that pharmacists have therapeutic expertise that is not necessarily duplicated in physicians or other care givers. The real value of pharmacists in the health care team is to provide therapeutic expertise that improves care in measurable ways.

New Jersey Permits Pharmacy-Level Substitution of Biosimilars

Gov. Chris Christie of New Jersey has signed into law legislation giving pharmacists new powers regarding the pharmacy-level substitution of biosimilars for innovative biologics (Bill# A2477). The new law clears pharmacists in New Jersey to decide whether to give patients a biosimilar or innovator version of a product and in doing so will potentially facilitate the update of copycat therapies. Pharmacists can substitute biologics provided that certain conditions are met. For example, pharmacists will be prevented from giving out a biosimilar whenever the prescriber prohibits such substitution in their script.

The law also only allows substitution of biosimilar products that the FDA has deemed to be interchangeable and therapeutically equivalent to the reference biologic. When pharmacists are able to substitute a biosimilar, they must notify the patient in writing that the drug has been approved byt the FDA for substitution; they must within 5 business days tell the prescriber the name of the manufacturer and the brand of the product they gave to the patient. The law also states that substituting a biosimilar for a reference product carries no additional liability for pharmacists.

New Jersey permits pharmacy-level substitution of biosimilars. (n.d.). Retrieved February 10, 2016, from http://www.biopharma-reporter.com/Markets-Regulations/New-Jersey-permits-pharmacy-level-substitution-of-biosimilars

Comment:
This is reminiscent of generic substitution approval. Specialty medications provide an additional level of complexity due to their pharmacology and the diseases being treated. Patients can be expected to complain that they paid a fortune so they should expect the "good stuff", i.e., the pioneer specialty medication. The competition between manufacturers should be fierce as incredible sums of money are at issue. At the end of the day, pharmacists, physicians, and nurses will have to be better educated about these diseases and specialty medications.

Operational Strategy and Strategic Implementation

PRO PHARMA uses its sophisticated data analytical capabilities to formulate strategies which enhance process, performance and financial efficiencies in the following areas:

- **Business Strategy**
- **Analysis of Data**
- **Modeling of Current Processes and Alternative Options**
- **Forecasting**

Our experience has shown that the above strategies result in increased productivity, focus and decreased costs downstream.

PRO PHARMA's unique consulting approach encompasses implementation, and validation of in-house resources prior to implementation to ensure a smooth transition from inception to implementation.

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