Pharmacy Benefit News

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Characteristics Associated With Hospital Readmissions

An Agency for Healthcare Research and Quality (AHRQ) study identified the following: "Three-quarters of patients readmitted to a hospital after being discharged return to the same hospital. Patients admitted for orthopedic conditions and patients who entered the hospital through the emergency department were the most likely to have a same-hospital readmission. The highest rates were found in patients aged 65 to 84, though patients aged 45 to 64 who underwent spinal fusion had similar readmission rates. The condition most commonly associated with readmission was heart failure, and the conditions for which a readmission was least likely were hip and knee arthroplasty. Women made up a larger portion of readmissions across all conditions, except for heart attack.

Reference: "Patient Factors Contributing to Variation in Same-Hospital Readmission Rate," and abstract were published in the March 30 issue of the journal Medical Care Research and Review.

Commentary:
The results of these analyses provide a working hypothesis into targeting patient populations for high risks of same hospital readmissions. Heart failure was the highest with hip and knee arthroplasty the least likely. The highest rates of same hospital readmission were orthopedic (especially 45 to 65 year old spinal fusion patients) and EM female patients between the ages of 65 and 84 years old.
The data "pearl" from this study is to target these populations for intensive oversight and post-discharge communications. The analytical problem is to focus on clinical and process drivers of readmissions. If a facility does not identify these findings, then the same approach allows for the identification of same facility readmits; the focus on drivers for readmissions, and action plans to reduce the impact of these diagnoses/conditions.

Analytics at Work: A Real World Example

Analyzing.....88%.....95%.....100%

A Health Plan and their actuaries requested a breakdown every month of the age and gender bands for medication use matched to medication utilization. The Plan wanted an integrated approach to Medical and Pharmacy Utilization.

Pro Pharma/ProData Analytics used integrated data sets to analyze the problem. ProData Analytics analyzed the data and designed age/gender bands for the entire population. Diagnoses, therapeutic categories, and procedures were inputs into the models. Literally every medication was matched to every age/gender band. The results of analyses were mapped by age, gender, geographic location of service, medication, number of claims, number of patients, drug cost, procedure cost, copays, amounts paid, Per Member Per Month (PMPM) and Per Utilizer Per Month (PUPM), etc.

The outcomes of the analyses were geographic maps, tables, graphs, and trends. The Plan and the actuaries used this information for predictions of spend, the impact of new entrants to spend, trending, etc. The budgets were reflective of these predictions. Due to the accuracy of the predictions, the budgets were more accurate and useful for action planning going forward.

Learn More

CVS Touts the Benefits of Tobacco Bans

One year after ending tobacco sales at CVS/pharmacy, CVS Health reports that the move has had a positive effect on public health. New data released by the company shows that in the 8 months after CVS/pharmacy discontinued tobacco sales, there was an additional 1% reduction in cigarette pack sales in states where CVS/pharmacy had a 15% or more share of the community pharmacy market, compared with states that have no CVS locations.

Furthermore, the average smoker in those states bought five fewer packs of cigarettes, and 95 million fewer packs were sold overall." "Data also show that in the past year, the average number of MinuteClinic "Start to Stop" smoking cessation visits conducted per month increased significantly, and CVS pharmacists talked to more than 260,000 patients about smoking cessation and filled nearly 600,000 nicotine replacement therapy prescriptions.

Source: CVS Health (09/03/15)

Commentary: One of the motivations for this report is self-promotion as reported above. However, one of the significant challenges in health care is to motivate health behaviors. If removal of the offending agent leads to a change in behavior, then there is an argument to be made for this drastic move. The problem is, of course, the scope of the impact. CVS market share can claim an impact, but more large players need to participate. CVS promotes a business case above, but other large players need to make the same move.

If only some pharmacies remove cigarettes, then too many options remain for the dedicated smoker. Behavior modification is not trivial. When FDR asked reporters before World War II how long it would take to convince the US public that sending war-time supplies to Europe would take, Walter Littman said it would take a few weeks. What kind of a motivation would it take to make a major dent in cigarette smoking?

Medicare Recipients Dive Faster Into the 'Donut Hole'

While the federal Affordable Care Act will eventually eliminate the so-called donut hole—the point at which older adults have exhausted their Medicare Part D benefit and must pay a larger share of the cost out of their own pocket—rising drug costs until then are sending more people into the hole.

Rising drug prices accelerate a Medicare member's move to the coverage gap at $3,310 in 2016. Once in the donut hole, beneficiaries pay 45% of the plan's cost for brand-name drugs and 65% of the price for generics. After beneficiaries' out-of-pocket costs reach $4,700, catastrophic coverage kicks back in with lower copayment and coinsurance costs.

Source: *Pittsburgh Post-Gazette (09/04/15) Twedt, Steve*

Commentary: Historically, patients compared pharmacy pricing to find the lowest prices for the same prescription. The drive to price transparency, competitive options, and international price comparisons is accelerating. The current target is pharmaceutical and biotechnology manufacturers. There are already legal cases against Pharmacy Benefit Managers (PBMs) and Health Plans. Formulary measures to incorporate price competition within therapeutic categories is an old measure to favor lower cost products within categories.

This competition is currently in favor of expensive biotechnology products. Generic bias is a factor in all formularies, but what is not commonly advocated is favoring low cost generic options for common conditions, and more expensive options for harder to treat options. Quality is currently what is new on the market. However, clinical quality can be achieved with significantly discounted generics, e.g., $4 generics, and more expensive generics and brands for less tolerated, more complicated diagnoses/conditions.

The key is convincing patients that low cost is not low quality. For this argument to win, all stakeholders must be advocates.

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