

Pharmacy Benefit News

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Commentary: Health Care Organizations – The Challenge!

Many Physician, Nursing and Pharmacy Organizations are Member driven. They can communicate with all of their patients and neighbors. As health care moves to a value-based care approach, which is predicated on evidence-based information, these organizations are in a critical position. They must develop, evaluate, and communicate the fundamental necessities of care to the larger health care community as well as to the public. Social media has provided a lower cost opportunity to communicate with constituents and to provide a broader forum for discussion. With the state of health care today, never have the challenges and opportunities been so diverse.

It is critical that these organizations focus their energies on an objective discussion about the critical issues of the day. It is also critical that these organizations provide active mentorship to the new generation of health care professionals. Never has there been a greater need for professionals to educate the public in the areas of focus such as:

- What is necessary?
- What is discretionary?
- What do professionals need to deliver optimal care to patients?
- What do patients need to do to ensure that they receive the best health care?
- What preventative measures should be undertaken by patients to relieve the system of unnecessary costs?

Analytics at Work: A Real World Example

MED V. PHARM

Problem: One of our clients was concerned about comparing the medical versus the pharmacy specialty spend. Their primary concerns were the location of service and applicable costs, as well as the overall gross trend of their per-member-per-month (PMPM) trends. Separately, the clinical group within the organization wanted to know if their clinical cost control methods were effective on a total Plan as well as on a per provider basis.

Solution: Pro Data Analytics, in cooperation with Pro Pharma Consultants, analyzed every specialty medication claim from both medical and pharmacy for this client each month. All findings were filtered by location of service, PMPM, provider specialty, disease/condition, provider, etc.

diagnoses, medications without applicable genomic testing, dosage within labeled min/max ranges, quantities within expected usage, pricing vs. lowest cost, pricing in compliance with contracts, rebates, value of wastage, etc.

For the clinical group, all claims were analyzed for prior authorizations (PAs) for formulary exclusions, efficiency of prior authorizations and step therapy, adherence by drug and by category, etc.

Outcomes: Pro Pharma identified financial savings for our client on average of 42-44% of paid amounts. Clinical analyses identified beginning compliance of 50% and cost control methods, including PAs at 60% efficiency. After the implementation of the model, the compliance increased above 80% and clinical cost control efficiency was above 70%.

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Commentary: Uncertainty and Transparency Drive Health Care

There are at least two overriding issues of concern in the health care community today; namely, uncertainty and transparency. Uncertainty is a result of the Federal and State Governments providing unclear direction to the marketplace in funding and access to health care. Transparency is desired in the marketplace due to higher share of cost paid by enrollees and the questionable affordability of new medications. These issues exist in a market that is consolidating and driving increased trend at the same time as the focus shifts from volume-to-value in evaluating the benefits of care and treatments.

Pharmacists, who see patients approximately three times for every Physician encounter, play an active role in educating patients, providers and the public about drug costs, payment options and alternatives to prescribed therapy. Health care professionals (Physicians, Nurses, Pharmacists) have the unique opportunity to turn the uncertainty to a positive that health care/managed care/population health provide a stable force regardless of the decisions of the federal and state governments. In addition, professionals have a pivotal role in addressing transparency from a commercial, clinical, and insurance perspective.

Health care professionals already have organizational communication vehicles, and maintain a position in the community that allows the public to have an objective view of the major drivers of health care. Physicians and Pharmacists are the high touch representatives of health care that can deliver the message to their local businesses and communities. Even though the lack of transparency and uncertainty are not currently optimized, we can attack both problems by communicating the issues and potential solutions to individuals and organizations. The goal would be mutual understanding by healthcare professionals and the public to bring stability to a demanding situation.

Commentary: The Role of Analytics in Health Care

If you don't have a target, then any target will do. If you can't measure it, you can't manage it! Data analysis provides the vehicle to answer these issues and many more.

Analysts use claims data, biometric data, electronic medical record (EMR) data, and libraries of supporting information to evaluate, model, and predict answers to management, clinical and social problems. Health care analysts have experience with multiple public/private Plan types, employer plans, union plans and provider group structures. They analyze claims data from various Plans, pharmacy benefit managers (PBMs), pharmacy benefit administrators (PBAs), third-party administrators (TPAs), medical claims, laboratory values, enrollment and provider files from multiple plan structures and managed care organizations. Data is evaluated individually or integrated to analyze and audit retrospective and concurrent claims (both pharmacy and medical/pharmacy integrated) data and claims.

While analysts answer specific questions, such as; the number of patients with A1c > 10 who are not on Insulin, and had an ER or acute hospital visit within the past 30 days; they also design reports for both financial and clinical management of organizations. Many Health Plans have teams of analysts, while employers may have a few analysts, or none. Regardless, the world is moving to more cloud-based, mobile technology that brings the results of analysis to everyone's attention, and at their fingertips. Technology has also made analytics personal by allowing anyone to make multiple choices, as well as to get answers to financial and clinical questions with a few clicks. The result is, and will be, an analytical environment where everyone can be, or fancy themselves an analyst.



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Biotech Modeling™

Map Your Current Biotech Utilization and Spend

Pro Pharma utilizes both the Medical and Pharmacy paid claims to analyze previous claims experience and to develop a model to project future trends. These issues center on the need for drug specific claims information, processing rules to ensure accurate quantities and maximum payment amounts, and rules for processing miscellaneous claims. The model can be updated with enhancements expeditiously given new Medical and Pharmacy claims experience.

Pro Pharma can identify immediate savings opportunities through e-modeling of claims processing procedures, and longer-term savings through technology assessment and utilization management.

Additional research and analyses can be performed to determine the biotechnology drug driven costs in procedures, diagnostics, and provider time. It is expected that these adjunctive costs will represent an ever-larger portion of the ambulatory experience downstream.

The cost of the biotechnology drug segment is increasing nationally at 17% per annum. There are currently over 100 biotechnology drugs on the market. These medications are manufactured from living organisms that produce genetically modified molecules or genetic variations of naturally occurring molecules.

We are able to:

- Map your current Biotech utilization and spend
- Project Biotech trend
- Model Biotech utilization by drug category or any other drug grouping (client specific)
- Identify cost by ICD9, CPT HCPC code

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Pro Pharma Pharmaceutical Consultants, Inc. has assisted payers and providers for over 31 years to maintain quality while controlling costs.

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