Professional Acknowledgements

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- Dr. Anderson has nothing to disclose concerning possible financial or personal relationships with commercial entities that may have a direct or indirect interest in the subject matter of this presentation

Learning Objectives

- Discuss the current state of pharmacy and its impact on the healthcare system
- Describe the Accountable Care Act (ACA) and identify the opportunities for pharmacy afforded within the ACA
- Define Accountable Care Organizations (ACOs) and the Patient-Centered Medical Home (PCMH) and describe the role of pharmacists within these organizations and the PCMH

Pharmacy: The State of Our Union

- Prescription (RX) drug use is on the rise
  - In 2008, spending for RX medications was $234.1 billion dollars
  - From 1999–2008:
    - Percentage of Americans who took at least one RX medication in the past month increased from 44 to 48%
    - The use of two or more drugs increased from 25 to 31%
    - The use of five or more drugs increased from 6 to 11%
  - In 2007–2008:
    - 1 out of every 5 children used at least one RX medication in the past month
    - 9 out of every 10 older Americans

- Treating drug-related morbidity and mortality costs the healthcare system an extra $200 billion dollars a year
  - 1.5 million individuals every year are harmed by medication errors
  - 32% of adverse events that led to hospital admissions were due to medications
  - Only 15% of physicians comply with FDA recommendations for monitoring medications
  - Only 33.5% of patients with chronic conditions completely adhere to prescribed therapies
Despite a down, but "recovering", economy, there is still a demand for pharmacists. Despite evidence to support the positive benefits of clinical pharmacy, the role of pharmacists has remained relatively unchanged.

Where do pharmacists work?
- 65% - community/retail pharmacy
- 22% - hospital pharmacy
- 16% - part-time

Pharmacy Practice and the Patient-Centered Medical Home:
1) A patient requires care (acute or chronic)
2) Patient makes an appointment with a healthcare provider
3) Patient waits until the appointment
   a) Hours? Days? Weeks?
4) Patient finally goes to the appointment
   a) Waits to be called to a room
   b) Waits in the exam room
   c) Waits to check out
   d) Pays the bill

5) Patient goes to the pharmacy
   a) Does the patient want to talk to the pharmacist?
   b) Does the patient want information on their prescription or new/current disease state?
   c) Does the patient just want to go home?

Are there currently pharmacists in physician clinics?

"Health leaders and policy makers need to support evidence-based models of cost effective patient care that utilizes the expertise and contributions of our nation's pharmacists as an essential part of the health care team."
- Regina Benjamin, MD, MBA
U.S. Surgeon General

Key Recommendations from the Report:
1) Optimize the role of pharmacists to deliver a variety of patient-centered care and disease prevention, in collaboration with physicians as part of the healthcare team
2) Utilization of pharmacists as an essential part of the healthcare team to prevent and manage disease in collaboration with other clinicians can improve quality, contain costs, and increase access to care
3) Recognition of pharmacists as health care providers, clinicians, and an essential part of the health care team is appropriate given the level of care they provided in many health care settings
4) Compensation models, reflective of the range of care provided by pharmacists, are needed to sustain these patient-oriented, quality improvement services
"The report articulates what we've known for a long time - the knowledge and experience of pharmacists, particularly in primary care settings, is underutilized and that current payment mechanism for "advanced" (aka clinical) pharmacy services thwart optimal patient care."

"The Surgeon General’s report is perhaps the strongest endorsement ever written by a government agency regarding the need to make pharmacists fully integrated members of the primary care team."

- Stuart Haines, Pharm.D., BCPS, BCACP, BC-ADM

http://www.iforumrx.org

Pharmacy Practice and the Patient-Centered Medical Home:

REALITY vs. POTENTIAL

<table>
<thead>
<tr>
<th>Reality:</th>
<th>Potential:</th>
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<tbody>
<tr>
<td>Retail/Community</td>
<td>Retail/Community</td>
</tr>
<tr>
<td>Dispense RX</td>
<td>Medication therapy management (MTM)</td>
</tr>
<tr>
<td>Answer questions</td>
<td>Disease state management</td>
</tr>
<tr>
<td>Recommend OTC items</td>
<td>Preventative care</td>
</tr>
<tr>
<td>Administrative tasks</td>
<td>Health screening</td>
</tr>
<tr>
<td>Services offered at no cost</td>
<td>Obtain compensation for higher level services</td>
</tr>
<tr>
<td>Product-oriented</td>
<td>Patient-oriented</td>
</tr>
<tr>
<td>Physician clinics</td>
<td>Physician clinics</td>
</tr>
<tr>
<td>Pharmacist usually only available if funded by external source</td>
<td>Available only on certain days</td>
</tr>
</tbody>
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Pharmacy Practice and the Patient-Centered Medical Home:

How did Pharmacy get separated from the patient care setting?


Pharmacy Practice and the Patient-Centered Medical Home:

How pharmacists within physician clinics get money

- Fee-for-service
- "Incident to" billing through a physician for services provided by a non-physician
- Cannot bill above the lowest billing code (99211) without the physician seeing the patient
- Contracts with insurers

Pharmacy Practice and the Patient-Centered Medical Home:

March 23, 2010 – The Patient Protection and Affordable Care Act was signed into law

- One week later … the Health Care and Education Reconciliation Act (HCERA) was signed into law

Affordable Care Act (ACA)
Affordable Care Act (ACA)

ACA + HCERA:
- String of healthcare delivery reforms to endorse coordination among healthcare providers
- Improving the quality, safety, and cost-effectiveness of healthcare
- Key changes to the Medicare Part D MTM benefit
- Provisions to improve the medication use process

Affordable Care Act (ACA)

The need for healthcare reform:
- Increasing healthcare costs in the U.S.
  - Cost: U.S. > other countries
  - Outcomes: U.S. < other countries
- Lack of emphasis on primary care
- Less physicians going into primary care
- Predicted increase in primary care workload
  - Increase of 29% between 2005 and 2025
- High number of uninsured individuals
- High cost of medications

Affordable Care Act (ACA)

What should you expect in upcoming years?

2012:
- Medicare will reduce payments for potentially preventable readmissions for select conditions
- Medicare will reward hospitals that provide higher quality or better patient outcomes
- Incentives for physicians to join ACOs

2013:
- All Medicare Part D plans must offer MTM services to targeted beneficiaries
- Sponsors must have a process (at least quarterly) to review drug use of other “at risk” individuals not eligible for MTM

2014:
- Individuals required to carry health insurance or pay a penalty
- Tax credits to make healthcare more affordable
- Increased access to Medicaid

2015:
- Pay physicians based on value not volume

Affordable Care Act (ACA)

Programs & Opportunities introduced:
- Prevention and Public Health Fund
- Community Health Center funding
- Supports the PCMH model
- Established to provide access to pharmacist-provided MTM and medication reconciliation
- Medication Management Grant program
- Established for pharmacist-provided MTM services as part of a collaborative interdisciplinary approach to disease management
- Community Care Transitions program
- Established to help avoid unnecessary hospital readmissions

Affordable Care Act (ACA)

Programs & Opportunities introduced:
- CMS Innovation will be established to test new care models and payment and service delivery model
  - I.E. MTM
  - Test “payment bundles” – for an episode of care that includes care coordination, medication reconciliation, discharge planning, and transitional care services
- Widespread payment for clinical pharmacy services (regardless of Part B provider status) should become a reality with the ACA

Affordable Care Act (ACA)

Key Focal Points:
- High-risk patients
- Strengthening the role of primary care physicians
- Funding for pilot projects and programs to reform payment structure
- Patient outcomes
- Team-based healthcare

Pharmacy Practice and the Patient-Centered Medical Home:

"There’s good little soul, and there’s badcheinest, and then there’s you, Mr. Ferguson."

*Health Affairs 2008;27(3):w232-w241

Accountable Care Organizations (ACOs)

- A group of coordinated healthcare providers providing care to a group of patients
  - Will assume responsibility for the cost and quality of care of a defined population of Medicare beneficiaries

Established to help bridge transitions and encourage cost-effective coordination of care
  - Inpatient (acute) care → Outpatient (primary) care
  - Outpatient care → Community (pharmacist) care
  - Out/Inpatient care → Specialist care

Designed to help fix the current fragmentation of the healthcare system
  - Fragmentation leads to waste and duplication – which yield unnecessarily high costs
  - Responsibility of quality patient care

Pharmacy Practice and the Patient-Centered Medical Home:

- Pharmacy practice and the patient-centered medical home
  - Patient-focused, member-governed
  - Healthcare delivery model tying provider reimbursement to quality metrics and reductions in the total cost of care
  - If an ACO’s success surpasses expectations, the ACO can share in the achieved Medicare savings

Includes:
  - Acute care issues
  - Chronic disease management
  - Transitions in care

Accountable Care Organizations

- No universal definition exists, but common themes include:
  - Ready access to care
  - Patient engagement
  - Implementation of clinical information systems supporting high-quality care
  - Practice-based learning and quality improvement
  - Care coordination
  - Integration of multidisciplinary care
  - Comprehensive and ongoing care
  - Routine patient feedback

Patient-Centered Medical Home

- Healthcare delivery model where patients have access to primary care providers (PCPs) and healthcare experts
- Physician-directed
  - A physician leads a multidisciplinary "team" that work in unison to develop an outcomes-driven, patient-centered, integrated plan of care
- Potential to reduce healthcare costs while improving safety and quality of care

Potential to reduce healthcare costs while improving safety and quality of care

The multidisciplinary healthcare team:
- Physician (MD, DO)
- Physician Assistant (PA) or Nurse Practitioner (NP)
- Nurses (RN, LPN)
- Medical assistant
- Pharmacist (MTM, dispensing pharmacist)
- Care coordinator
- Others
  - I.E. psychologist/psychiatrist, disease educator, dietician, physical therapist, interpreters

Potential to reduce healthcare costs while improving safety and quality of care

A potential multidisciplinary healthcare team model:
- Per 10,000 enrollees:
  - Physician – 5.6 FTE
  - PA/NP – 1.5 FTE
  - RN – 1.2 FTE
  - LPN – 2 FTE
  - Medical assistant – 5.6 FTE
  - Pharmacist – 1 FTE

Role of the Pharmacist:
- Member of the “Community Health Team”
- Transition in care
  - Medication reconciliation
  - Hospital admission and discharge
- Inpatient (acute) care
  - Disease state management
  - I.E. infectious disease, anticoagulation, therapeutic drug monitoring
  - MTM
  - Patient education
- Outpatient (primary) care
  - Disease state management
  - I.E. diabetes, HIV, cardiovascular risk reduction, HIV, hypertension/heart failure, anticoagulation, osteoporosis
  - MTM
  - Medication adherence
  - Medication assistance
  - Patient education
  - Immunizations
### Role of the Pharmacist:

**EVIDENCE:**
- For every $1 invested in clinical pharmacy services, a benefit of $7.98 was found.
- Primary care pharmacists reduced negative therapeutic outcomes by 53-63% and avoided $45.6 billion in direct healthcare costs (in 1995 dollars).
- Pharmacists on patient care teams provided:
  - Significant improvement in therapeutic outcomes in 51.4-100% of trials.
  - Significant improvement in safety outcomes in 60-81.8% of trials.
  - Significant improvement in humanistic outcomes in 12.9-57.1% of trials.

**Pharmacy Practice and the Patient-Centered Medical Home:**
- Pharmacotherapy 2008;28:285e-323e
- Medical Care 2010;48(10):923-33

### How could a pharmacist be incorporated into an existing primary care clinic?

**Pre-visit planning**
- Patient encounter prior to patient’s appointment.
- Review patient record and make recommendations to PCP.

**Coincident referral**
- Patient encounter with PCP.
- Make recommendations to PCP.

**Follow-up referral**
- Patient encounter(s) separate from and between scheduled PCP appointments.

**Pharmacy Practice and the Patient-Centered Medical Home:**
- Health Affairs 2010;20:906-13

### Targeted (Pharmacist/PCP-initiated) Consults

- Care transitions
- Uncontrolled (not meeting therapeutic goals)
- High ADR risk medications
- Complex medication regimens (polypharmacy)
- Multiple prescribers
- Poor adherence
- Liver or renal dysfunction

**Pharmacy Practice and the Patient-Centered Medical Home:**
- JAPhA 2011;51:161-66
- Health Affairs 2010;20:906-13

### What challenges could pharmacists face?

- Pharmacist exclusion
- Patient selection
- Location
- Integration models
  - Employed model
  - Embedded model
  - Partnership between PCMH and School of Pharmacy clinical faculty
  - Referral/Regional model
  - Pharmacist service based on geographic region
  - Contracted model
  - Contract between PCMH and a network of credentialed pharmacists

**Pharmacy Practice and the Patient-Centered Medical Home:**
- JAPhA 2011;51:161-66
- Health Affairs 2010;20:906-13

### Information technology

- Access to patient information and medical record

**Pharmacy Practice and the Patient-Centered Medical Home:**
- JAPhA 2011;51:161-66

### Communication

- Ensure understanding of the purpose and scope of pharmacy services.
- Identify a physician to advocate for the concept of PCMH and models to integrate pharmacy services into patient care.

**Pharmacy Practice and the Patient-Centered Medical Home:**
- JAPhA 2011;51:161-66

### Sustainable payment source(s)

**Pharmacy Practice and the Patient-Centered Medical Home:**
- JAPhA 2011;51:161-66

### Examples of continuous quality indicators (CQIs):

- Percent of diabetics with:
  - A1C >9.5%
  - 2 BP readings >140/90 mmHg
  - LDL > 130 mg/dL

- Beta-blockers in AMI and CHF, ACE-inhibitors in CHF, Immunizations
At one clinic, when pharmacists were integrated into the PCMH:
- Participants felt that inclusion of a pharmacist into their practice improves the quality of patient care, provides a valuable resource for all providers and staff, and empowers patients.
- Any initial concerns of the clinical and nonclinical staff disappeared within the first months of pharmacist integration.

Pharmacy Practice and the Patient-Centered Medical Home:
- Visit-based fee-for-service (current billing model)
- Performance-based:
  - Patient-centeredness
  - Quality of service
  - Efficiency
  - Capitation payment
  - Payment per member of the practice per month
  - Services that fall outside of a face-to-face encounter
  - Health information technology (HIT)

Where does pharmacy go from here?

1) Focus on the Role of a Pharmacist
- "Medication Gatekeeper"
  - Accept responsibility for the medication use process
  - Focus on capabilities in medication management
  - For example:
    - Patient and medication safety
    - Prevention and wellness through appropriate medication use and medication reconciliation
    - Disease state management
  - Pharmacists are not "physician extenders" - Pharmacists offer a unique service based on experience.

2) Separate Clinical Pharmacy from Dispensing
- Clinical pharmacists should not be associated with dispensing of outpatient medications
  - Do not want payers to perceive a conflict of interest in providing both services
  - Clinical pharmacy and dispensing can co-exist, but payment for services should be organizationally separate.

3) Link Specialty Credentialing to Payment for Clinical Services
- Certification requirement should match the complexity of the clinical pharmacy service to be delivered and compensated
  - Types of certifications:
    - BCPS, CDE, BC-ADM, CDE, CGP
    - Specialties: BCACP, BCOP, BCNSP, BCPP, nuclear pharmacy
  - Can be foundation for payment mechanisms in the future.
The ACA creates a shift to team-based care and payment based on outcomes and performance. Will need to document policies, procedures, and outcomes that are a result of clinical pharmacy services. Be prepared to analyze and report outcomes through ongoing case reports, medical record reviews, and assessment studies. Document services and assess outcomes.

Establish Quality Standards
- Increasing emphasis on quality in healthcare and tying payment for performance initiatives.
- Payers requiring evidence that services are being provided in a consistent manner that achieves positive outcomes.
- Metrics to be used include clinical, service (humanistic), and economic indicators.
  - Benefit gained >> Costs of providing service
  - Standardization

Accept Different Payment and Service Models
- Need to be acquainted with all models of payment for clinical services.
- Since clinical services are best delivered as part of a team, there should be flexibility to modify payment to the financial structure of the team.
- Possibilities:
  - Part B - provider status
  - Collaborative models - capitated- or performance-based incentives

Access to Patient Information:
- All healthcare professionals, including pharmacists, within the PCMH or ACO should have access to the necessary and appropriate patient health and medical records.
- Needed to make informed patient care recommendations.
- Electronic medical records (EMRs) are needed to document encounters and quality indicators, communicate among the team, and provide access to patient information.

Performance Management - Outcome Measures:
- Three general measurable areas:
  - Health promotion and disease prevention
    - I.E. vaccinations, tobacco use, sexually transmitted infections
  - Chronic disease management
  - ER visits, hospitalizations, and readmissions for certain conditions
  - Efficiency and access
    - I.E. communication, coordination and continuity of care, costs, access, and equity
- Need objective measure to assess clinical outcomes, safety, and cost-effectiveness of medication use in the PCMH and ACO population.

Where is the Pharmacy Profession Now?
- Pharmacies (community, health-system, mail-order)
  - Workflow is aligned with dispensing a product
  - Focus on prescription with no access to patient medical information
  - No sharing of patient information or medication lists (with healthcare institutions, clinics, or other pharmacies)
  - Outcomes are drug-focused
  - I.E. number of RXs filled, time of filling RX, refill rates
  - Reimbursement (dispensing fee, copayments)
Where is the Pharmacy Profession Going?
Not about the pharmacy, it is about the pharmacist
- Pharmacist is part of the “team”, patient care provider
- Focus on the patient
- Identify medication discrepancies and medication therapy problems
- Have updated and accurate medication lists and share recommendations with providers within the “team”
- Outcomes are patient-focused

Pharmacist is part of the “team”, patient care provider
Focus on the patient
Identify medication discrepancies and medication therapy problems
Have updated and accurate medication lists and share recommendations with providers within the “team”
Outcomes are patient-focused

What is Needed to Get There?
Collaborative practice option in all states’ Boards of Pharmacy laws
- 46 states currently have a collaborative practice act
- However, state regulations vary regarding practice settings, education and training requirements, and clinician or organizational approval process
- Some allow for initiation and modification of drug therapy
- NC and NM – pharmacists who meet additional criteria beyond licensure can provide a higher level of care for patients
- Need to standardize the variations among states to facilitate the inclusion of pharmacy services in PCMHs

Selected References:
AJHP 2009;66:1116-18
Ann Intern Med 2010; 152:689-96
Health Affairs 2010; 20:906-13
JAPhA 2011;51:161-66
Pharmacotherapy 2011;31(11):1-8
Pharmacotherapy 2011; 45:810-12
Medical Care 2010; 48(10):923-33

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“Structure and Compensation for Medication Therapy Management”
“Healthcare Reform: Impact on Pharmacy Practice”

Pharmacy Practice and the Patient-Centered Medical Home:
Reimbursement:
- Based on performance
  - Care quality, prevention of ADRs or unnecessary ER visits, avoiding hospitalizations
  - Care coordination, patient care visits, and follow-up

Selected References:
Health Affairs 2010;20:906-13
Pharmacotherapy 2011;45:810-12

Key Point to Remember:
Pharmacy and Healthcare is a business
- To make a service work, the time commitment must be justified
- Individuals need to view pharmacy services as a value
- Money In ≥ Money Out

How Will You Start?

Pharmacy Practice and the Patient-Centered Medical Home:
• Health Affairs 2010;20:906-13
• Pharmacotherapy 2011;45:810-12
• Medical Care 2010; 48(10):923-33