Optimizing the Medical Neighborhood: Transforming Care Coordination through the Community Pharmacy Enhanced Services Network

Joe Moose, PharmD
2017 Annual Convention of AR Pharmacist Association
June 9, 2017
We’re Going Broke Because of Healthcare
Here Comes Payment Reform
Actually, it is already here!

“Our first goal is for 30% of all Medicare provider payments to be in alternative payment models that are tied to how well providers care for their patients, instead of how much care they provide – and to do it by 2016. Our goal would then be to get to 50% by 2018.

Our second goal is for virtually all Medicare fee-for-service payments to be tied to quality and value; at least 85% in 2016 and 90% in 2018.”

Sylvia Mathews Burwell, Former HHS Secretary
Strategic Considerations for Community-Based Pharmacy Networks
Healthcare in America

Medical/Non-Pharmacy Spend: 90%
Medication/Pharmacy Spend: 10%
Threats to Community Pharmacy

- You Can NOT Sell Drugs Below Cost
- Narrow Networks
What is the Essence of Payment Reform?

(Hint: Population Health Management)
What Does the Medical Neighborhood Look Like?
Fee for Service

Population Health Management
It’s not about who is in my office today, It’s about who isn’t in my office
In a World of Limited Resources…

MOST LIKELY TO BENEFIT FROM INTERVENTION
Who Needs Medication Optimization?
One Size Doesn’t Fit All Patients
Why Community Pharmacy Enhanced Services Networks?
Medication Chaos Reigns

Problems are Opportunities

Ongoing Medication Coordination and Optimization

Clinic Team/PCP

Pharmacy

Hospitals

13x
50x
100x
You are Accessible

3.5 PRIMARY CARE VISITS/YEAR

35 PHARMACY VISITS/YEAR
Importance of Targeting and Channeling Patients to High Performing Pharmacies

A Bifurcating Marketplace for Pharmacy-Site Products and Services Delivery

- Higher Utilizing, High Cost Patients
- More Modifiable Risk
- Less Modifiable Risk
- Lower Utilizing, Low Cost Patients

Legend:
- Convenience Care Marketplace
- Conventional Marketplace
- Complex Care Marketplace

("Patients with sub-optimal Medication Use and other modifiable risk characteristics")
How Can Community Pharmacy Leverage Its Value?
CPESN Network Structure

The Medical Neighborhood

- Community Resources
- Home Health/Rehab/ Skilled Nursing
- Clinic Team/PCP
- Care Teams
- Specialty Providers
- Hospitals

Participating Pharmacies

- CPESN Workgroups
- CPESN Workgroups
- CPESN Workgroups

Luminaries

Local CPESN

CPESN Collaborators & Partners

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Matchmaking
Community Pharmacy Enhanced Services Networks

Core CPESN Services
Provide a minimum set of enhanced services including, but not limited to:
• Medication reconciliation
• Clinical Medication Synchronization
• Adherence Packaging
• Immunizations
• Complete Medication Reviews with Chronic Care Management

Core CPESN Services
• Ability to integrate with and augment Managed Care coordination and care management infrastructures
• Establish an ongoing professional relationship with the patient
• Provide in depth review of patient education regimens to identify opportunities to optimize therapy
• Work with providers and other health care professionals to resolve any concerns with the patient’s medications
• Contribute to development of a patient-centered care plan
• Provide care coordination and additional motoring between provider office visits for patients, especially those who are non-adherent to medications and/or are medically complex
• Engage in clear, clinically-relevant communication with the provider and care team
CPESN Model

ALL PATIENTS

CHRONICALLY ILL PATIENTS
49%

10% HIGH RISK CHRONICALLY ILL PATIENTS
most in need of intensive services with follow up

ALL PATIENTS
filling prescriptions at the pharmacy

49% CHRONICALLY ILL PATIENTS
who utilize the pharmacy for the majority of prescription fills (attribution criteria)
• Community Pharmacy Care Management – Services provided locally by a community pharmacy in close coordination with other care team members, including other care managers that focus on optimal drug use.

• The objective of Community Pharmacy Care Management is to procure, update and re-enforce a team-based, patient-centered pharmacy care plan over time. This service line is longitudinal and coordinated with the rest of the care team.
Transformational Change in Frequency & Nature of Clinical Patient Interactions

Part D CMR

Intensity

Time (6+ months)

Initial NC CPESN attempts at Community Pharmacy Care Management

Intensity

Time (6+ months)

“Steady State” Community Pharmacy Care Management Model

Intensity

Time (6+ months)
What do Payers Want?
### NC CPESN/CMMI Performance Measurement

*(Shared Accountability for Global Outcomes)*

<table>
<thead>
<tr>
<th>Performance Measures</th>
<th>Possible Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk-adjusted total cost of care</td>
<td>3</td>
</tr>
<tr>
<td>Risk-adjusted inpatient hospitalizations</td>
<td>2</td>
</tr>
<tr>
<td>Risk-adjusted emergency department visits</td>
<td>2</td>
</tr>
<tr>
<td>Adherence to antihypertensive medications*</td>
<td>1</td>
</tr>
<tr>
<td>Adherence to statin medications*</td>
<td>1</td>
</tr>
<tr>
<td>Adherence to diabetes medications*</td>
<td>1</td>
</tr>
<tr>
<td>Patients adherent to multiple chronic medications</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL POINTS</strong></td>
<td><strong>11</strong></td>
</tr>
</tbody>
</table>

*Medicare STAR measures*
## Alternative Payment Model

<table>
<thead>
<tr>
<th>Patient Risk Score</th>
<th>Pharmacy’s Most Recent Performance Score</th>
<th>Review for Network Inclusion (0-3 Points)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Above Average (8-11 Points)</td>
<td>Below Average (4-5 Points)</td>
</tr>
<tr>
<td>≥ 85</td>
<td>$$$$$$ PMPM</td>
<td>$$$ PMPM</td>
</tr>
<tr>
<td>75-84</td>
<td>$$$$$$ PMPM</td>
<td>$$ $ PMPM</td>
</tr>
<tr>
<td>60-74</td>
<td>$$$ PMPM</td>
<td>$ $ PMPM</td>
</tr>
<tr>
<td>50-59</td>
<td>$$ PMPM</td>
<td>$ PMPM</td>
</tr>
<tr>
<td>&lt; 50</td>
<td>$ PMPM</td>
<td>$ PMPM</td>
</tr>
</tbody>
</table>

PMPM payments based on patient risk AND pharmacy performance
(payment rate based off of current Medicare Chronic Care Management codes)
Benefits of Alternative Payment Model

- Payment model is budget predictable; able to throttle costs
- Value-based payment allows for measure alignment with other care team members
- eCare Plans with a purpose
  - Clinical documentation
  - Care coordination
  - Network quality assurance

Fee for Service Model
Risk and Performance-Based PMPM Model
Patients with Schizophrenia Who are Poorly Adherent are More Likely to be Super-Utilizers of the ED

Figure 1. Average Annual Rates of Emergency Department Visits for CCNC Patients with Schizophrenia, by Medication Adherence Category, 2015

*Note: Error bars represent confidence intervals. The size of bubbles corresponds to sample size in each adherence category.*

Emergency Department Use Among Medicaid Patients with Schizophrenia: The Impact of Medication Adherence
Authors: Morgan Hardy, MPH; Carlos Jackson, PhD; and Jennie Byrne, MD, PhD; CCNC Data Brief, Sept. 14, 2016 Vol. #8
Patients with Schizophrenia Who are Poorly Adherent Need the rest of this new headline!
Where is the CPESN Movement Today?
Join the Movement
Arkansas CPESN℠ Participating Pharmacies
What makes CPESN Networks Different?

- Community-based pharmacies that focus on high risk patients in a chronic care model
- Patient targeting
- Panel management
  - Patients instead of prescriptions
- Accountability on global outcomes and quality
  - Shared metrics with the rest of the care team

- *Local* care team integration and care coordination
- Change packages and network support to enable practice transformation
  - Workflow changes related to panel management, care team integration, and weaving together clinical components with enhanced services
- Approach to HIT
  - Pharmacist eCare Plans
The Opportunity
(In Economic Terms to the Medical Benefit)

Average Complex Patients Touched ~10,000

Average Total Cost of Care for those Patients ~$25,000

Average “Impactability” ~$1,100/month

Aggregate Year 1 Savings Opportunity $66M
(for patients with CIPAs/CMRs if deploying CPCM with Medical Home Care Manager)
The Opportunity
(In Economic Terms to the Pharmacy)

Average Rx’s per Referred Patient: 10 Rx’s per month
Average Profit per Rx: ~$10
Average Profit per Patient: ~$1200/year
Average Patient Referrals: ~ 200 patients/year
Total Annual Net Profit: $240K
Comparison of Time to First Re-admission Between Transitional Care Patients Receiving Pharmacy Home Activities and Propensity Score Matched Patients Received Usual Care

Proportion of Not Hospitalized

Time to First Re-admission from Discharge (in days)

- Pharmacy Home Activities (n=1,087)
- Usual Care (n=1,087)
- Pharmacy Home Activities plus Home Visit (n=1,004)
Your New Leverage Base

- Payment Leverage
  - Employee Productivity
  - Lower Blood Pressure
  - Fewer Hospitalizations
  - HgA1C
  - Lower Total Cost of Care
  - Fewer ER Visits
  - Happier Patients
Benefits of Providing Medication Use Support Integrated with Primary Care

A 2010 performance analysis of Community Care of North Carolina primary care practices with integrated community-based pharmacy supports
Better get in the game... or you will be left out of the game
Thank You

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