Helping pharmacists take control of their pharmacy practices

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Community Pharmacy Forum
April 1, 2013
Challenges that Pharmacy is Facing
Healthcare today focuses on the treatment of chronic disease

- 7 out of 10 deaths among Americans each year are from chronic diseases.¹

- In 2005, almost 1 out of every 2 adults had at least one chronic illness.²

- Almost 3 in 4 individuals age 65+ years have multiple chronic conditions, as do 1 in 4 adults younger than 65 who seek healthcare.³

- In 2020 it is projected that 164 million (24%) of the population will have two or more chronic conditions.⁴
Chronic diseases account for the majority of health resource utilization

Chronic diseases currently account for:\(^5\)

- 81% of all hospital admissions.
- 91% of all prescriptions filled.
- 76% of all physician visits.
Chronic diseases are managed with “maintenance medications”

- **Maintenance medications** are prescription medications taken regularly to help prevent or manage chronic diseases.

- Most patients with chronic diseases will need to take maintenance medications *the rest of their life*.

- Most patients with complex chronic conditions require *multiple daily medications* for adequate control.

- Many patients *struggle with self-management* of their maintenance medications.
Medication adherence = How well patients manage their medications

- In order for prescription medications to be effective at treating illnesses, **patients** must:
  
  - *Fill the prescription* given to them by the physician.
  
  - *Routinely take* the medication as directed by the physician:
    - **Quantity** of medication to be taken.
    - **Number of times** per day medication is to be taken.
    - **Time(s) of day** medication is to be taken.
  
  - *Refill the medication* as needed in order to take the medication as long as recommended by the physician.

*If a patient fails to do any of these – medication adherence is less than perfect.*
Adherence with maintenance medications is a major health problem

- Half of the 3.2 billion prescriptions dispensed in the United States are not taken as prescribed.\textsuperscript{6}

- Numerous studies have shown patients with chronic conditions adhere only to 50-60\% of medications as prescribed, despite evidence that medication therapy improves life expectancy and quality of life.\textsuperscript{7-9}

- Approximately 125,000 deaths per year in the United States are linked to medication non-adherence.\textsuperscript{10}

- The total cost estimates for non-adherence range from $100-300 billion each year.\textsuperscript{11-13}
Medication adherence rates are related to health care costs

- Better adherence results in: higher prescription costs. lower overall health care costs.

### Disease-Related Health Costs at Varying Levels of Medication Adherence

<table>
<thead>
<tr>
<th>Disease</th>
<th>Adherence Level</th>
<th>Medical Cost ($)</th>
<th>Drug Costs ($)</th>
<th>Total Costs ($)</th>
<th>Hospitalization Risk (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diabetes</td>
<td>1% - 19%</td>
<td>$8,812</td>
<td>$55</td>
<td>$8,867</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>20% - 39%</td>
<td>$6,959</td>
<td>$165</td>
<td>$7,124</td>
<td>26%</td>
</tr>
<tr>
<td></td>
<td>40% - 59%</td>
<td>$6,237</td>
<td>$285</td>
<td>$6,522</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>60% - 79%</td>
<td>$5,887</td>
<td>$404</td>
<td>$6,291</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>80% - 100%</td>
<td>$3,808</td>
<td>$763</td>
<td>$4,571</td>
<td>13%</td>
</tr>
<tr>
<td>Hypertension</td>
<td>1% - 19%</td>
<td>$4,847</td>
<td>$31</td>
<td>$4,878</td>
<td>28%</td>
</tr>
<tr>
<td></td>
<td>20% - 39%</td>
<td>$5,973</td>
<td>$89</td>
<td>$6,062</td>
<td>24%</td>
</tr>
<tr>
<td></td>
<td>40% - 59%</td>
<td>$5,113</td>
<td>$184</td>
<td>$5,297</td>
<td>24%</td>
</tr>
<tr>
<td></td>
<td>60% - 79%</td>
<td>$4,977</td>
<td>$285</td>
<td>$5,262</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>80% - 100%</td>
<td>$4,383</td>
<td>$489</td>
<td>$4,871</td>
<td>19%</td>
</tr>
</tbody>
</table>

Many factors contribute to medication nonadherence

- Cost factors
  - Co-pay and co-insurance levels
  - Transportation problems

- Patient attitudes, knowledge and behaviors
  - Forgetfulness
  - Not understanding the instructions for when/how to take the medication.
  - Lack of knowledge about disease being treated.
  - “Feeling better” and deciding to quit the medication.

- Poor disease management
  - Failure to appropriately manage transient side effects when starting new medications.
  - Failure to maintain effective therapeutic levels.
  - The “passive” nature of health care services.
Prescription drugs are an easy target for cost reduction efforts

• Fixed co-pays can result in a large percentage of patient contribution.
  
  • A $45 co-pay for non-preferred brand product may be equivalent to a 30-40% out-of-pocket cost.
  
  • Co-insurance for medical care is usually lower than this and patients are not as aware of the total cost and are not as easily cost sensitive.

• Reductions in expenditures for prescriptions are easier to achieve than are reductions in medical expenditures.

• Prescriptions are adjudicated at time of dispensing – medical care claims take time to be submitted.
Attempts to managing health care costs are stymied by silo budget mentality

- Most payers and policy makers try to control cost by limiting use in one of the silos without consideration for the impact the action may have in another silo.

Reductions in pharmacy are easy to achieve – but often lead to increased non-adherence and larger increases in medical costs.

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If Those Aren’t Enough Problems…
The pharmacist’s problem today is chaos --- the work flow is controlled by other people!

Patients walking in and waiting for new RXs and refills.

Patients calling in refills and physicians calling in new RXs.

Having to call MDs for reauthorizations and payers about coverage problems BEFORE you can fill an RX - - while the patient is waiting at the counter.

BOTTOM LINE: Pharmacists are too busy “filling” and “checking” prescriptions to help “manage” patients’ medications OR to enjoy their job.
The pharmacist’s problem today is chaos -- the work flow is controlled by other people!

When you're up to your ears in alligators, it is difficult to remember that you are there to drain the swamp.
How We’re Trying to Overcome These Challenges
What is RxSync Service℠?

- The RxSync Service℠ is a community pharmacy practice model that improves adherence and outcomes by:
  - Providing a timely reminder to the patient for refills needed each month.
  - Simplifying the refill process to minimize stress and improve workflow so you have time to do patient care.
  - Actively providing regular patient contact and opportunities to better manage pharmacologic therapies.
  - Creating opportunities to work with the patient and physician as a partner in their health care team.
RxSync Service℠ gives pharmacists control of their work flow

- The core of the RxSync Service℠ consists of:
  - The synchronization and scheduling of refills.
  - Monthly patient monitoring for adherence.
  - Providing pharmacist consultations to patients or professional recommendations to prescribers when needed.

- Synchronization and scheduling make it possible for pharmacists to:
  - Be proactive rather than reactive about when prescriptions will be refilled.
  - Provide monthly medication management that improves adherence while controlling pharmacy work flow.
Synchronization & Scheduling
Synchronization

- Patients on multiple chronic medications can have their medication refills *synchronized* so that *all* of their chronic medications are filled on the same day each month.

- Partial fills most often will be needed and additional co-pays may occur in order to synchronize all of the patient’s medications for refill on the same day.
Synchronizing patients are assigned *(scheduled)* into a “work group.”

A work group is a group of patients whose medications will be filled on the same day.

Each work group is assigned to a certain day in a M-F, 4-week cycle.

Thus refills for all chronic medications taken by members of a group are due every 28 days.
Scheduling

• The 28 day refill cycle makes it possible to schedule all group filling during the regular work week.

• Medicaid patients, or other patients with prescription limits, are assigned to special groups that are filled on 31-day cycles in order to avoid exceeding prescription limits in any one month.
Monthly Adherence Management Calls

- Patients in a work group are called 4-5 days before their refill day.

- During the call the technician or other staff member:
  - Confirms the patient’s current medications.
  - Determines how many pills are remaining in each prescription.
  - Identifies the reason/s for poor adherence.
  - Completes the refill orders for the medications needed.

- If adherence problems are identified, a pharmacist consultation takes place.

- Refill quantities are adjusted, if needed, to avoid accumulation of unneeded medication.
Prescription Filling by Group

- Prescriptions for the group are filled 2-3 days before they are due for delivery or pickup.

- By batch filling each group ahead of time:
  - Technicians can fill as a batch and the pharmacist can review and approve orders as a batch.
  - This allows for the filling process to be broken into separate work flow components – saving time by being more efficient.
  - Shortages, if any, can still be delivered by the wholesaler before the prescriptions are due.
  - Delivery, if provided, can be coordinated with group assignments to minimize costs.
Prescription Filling by Group

- Scheduling prescription filling allows for significant inventory reduction.
  - Batch filling of groups can actually be done with a zero based, just-in-time inventory procedure.

Group Filling Process

- Techs fill all RXs for scheduled day
- RPh checks all RXs for day
- RXs are ready for delivery/pickup on scheduled day
Who Benefits?

Pharmacists WIN

- Increased refill rates.
- Reduced inventory.
- Greater efficiency for delivery service (if provided).
- Higher employee and pharmacists job satisfaction.
- Time to develop and provide other services.
- Greater patient satisfaction.
- Attracting new patients.
- Improved professional relationships with prescribers.
Who Benefits?

Pharmacists WIN

• Easier to manage refills.
• Expanded delivery (if provided).
• Improved adherence.
• Timely identification and management of medication problems.
• Better health outcomes.

Patients WIN
Who Benefits?

- Patients’ medications are better managed.
- Receive feedback on compliance.
- More quickly alerted to medication problems.
- Easier to manage and approve reauthorizations.
Who Benefits?

• Pharmacies increase sales – they increase sales.
• Pharmacies better manage / reduce inventories – they can reduce their inventories.
• Independent community pharmacies remain financially viable.
Who Benefits?

Physicians WIN

Pharmacists WIN

Patients WIN

Wholesalers WIN

Manufacturers WIN

- Adherence is better for their products – they get more out of each new patient start.
- Benefits of their medications are maximized so compliance does not make the drug appear to be ineffective.
Who Benefits?

- Physicians WIN
- Pharmacists WIN
- Wholesalers WIN
- Payers WIN
- Manufacturers WIN

- The reduction in total health care expenditures from improved adherence is greater than the increase in prescription costs.

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History and Development of RxSync Service℠
History of RxSync Service℠

• *PharmNet* in Winona, Mississippi, built their pharmacy using an alternative community practice model in which the pharmacy is more actively involved in helping patients manage their prescription medications and provides delivery in order to assure patients receive their medications on time.

• The *Center for Pharmaceutical Marketing and Management* (CPMM) profiled *PharmNet* as one of the innovative pharmacies featured at the 2007 National Community Pharmacists Association Annual Meeting.

• This concept was presented at the 2008 National Community Pharmacists Association Annual Meeting.
History of RxSync Service™

• In 2009, CPMM was awarded a $125,000 grant from Cardinal Health to “beta test” RxSync Service™ in 5 pharmacies.

• Our research team visited each pharmacy to collect baseline data and provide on-site consultation about the local implementation.

• Data collection:
  • Ability to implement (qualitative).
  • Prescription data (adherence).
  • Patient satisfaction.
  • Employee satisfaction.
RxSync Service℠ Licensing

• Trademarks
  • RxSync®
  • RxSync Service℠
  • RxSync Pharmacy™
  • RxSync for Pharmacies™

• Initial license to pharmacy (current cost is $4,000) includes:
  • Implementation Workbook (RxSync for Pharmacies™)
  • RxSync® Financial Forecast Model
  • On-site or teleconferenced consulting services as needed
  • Resource diskette
  • Promotional materials
  • Use of trademarks and logos
RxSync Service℠ Licensing

• Annual renewal for license to use the RxSync™ trademarks (current cost is $300/year) and to be an active member in the RxSync Pharmacy™ Network.
RxSync for Pharmacies™ Workbook

- Developed using management plan from PharmNet and experiences of implementing system in 10 pharmacies.

- Currently 5 chapters (42 pages) and 16 appendices (45 pages).

- CPMM updates regularly as new issues/solutions/ideas are identified by network pharmacies.
**RxSync® Financial Forecast Model**

**SCENARIO:** Rapid conversion of existing PTs

### Prescription Volume

<table>
<thead>
<tr>
<th></th>
<th>Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>For a weekday</td>
<td>Current 75%</td>
</tr>
<tr>
<td>For the weekend</td>
<td>RxSync 95%</td>
</tr>
</tbody>
</table>

### Revenue Measures

- Gross RX sales prior year: $3,192,472
- % net profit on Rx sales: 3.5%

### Conversion of Existing PTs

<table>
<thead>
<tr>
<th>Goal</th>
<th>90% of all chronic med PTs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Speed</td>
<td>12 months to reach 80% of goal</td>
</tr>
</tbody>
</table>

### Recruiting New PTs

- Goal: No promotion
- Start: 
- Speed: 

### Cumulative # RxSync PTs

<table>
<thead>
<tr>
<th>Months Since Implementation</th>
<th>New to practice</th>
<th>Existing enrolled</th>
<th>TOTAL</th>
<th># PTs / RxSync™ group</th>
<th>Increase in Monthly RXs</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>0</td>
<td>1,311</td>
<td>1,311</td>
<td>66</td>
<td>420</td>
</tr>
<tr>
<td>24</td>
<td>0</td>
<td>1,454</td>
<td>1,454</td>
<td>73</td>
<td>466</td>
</tr>
<tr>
<td>36</td>
<td>0</td>
<td>1,456</td>
<td>1,456</td>
<td>73</td>
<td>466</td>
</tr>
</tbody>
</table>

### Rx Gross Profit*

*Based on % net profit on Rx sales*

<table>
<thead>
<tr>
<th>Base (Prior Year)</th>
<th>From New PTs</th>
<th>From Existing PTs</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0</td>
<td>$115,708</td>
<td></td>
</tr>
<tr>
<td>For RxSync Year</td>
<td>$0</td>
<td>$121,217</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>$0</td>
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<td>2</td>
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<td></td>
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<td>$10,526</td>
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<td>$126,432</td>
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<tr>
<td></td>
<td>$0</td>
<td>$10,724</td>
<td>$10,724</td>
</tr>
</tbody>
</table>

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Promotion

Tri-fold template

What is RxSync Service™?

[INSERT NAME] Pharmacy is now offering RxSync Service™, a special service designed to help the pharmacy work more closely with you to manage your ongoing medication therapies.

Imagine:
- not having to make multiple trips to the pharmacy each month.
- not having to remember to call for prescription refills before you run out of medicine.
- someone working with you each month to improve your medication compliance and address any problems you are having with your medications.

All of that is possible with RxSync Service™.

How RxSync Service™ Works

As a participant in the RxSync Service™, you will receive the following services in addition to the routine prescription services provided by your pharmacy:

Synchronization of prescriptions — Your pharmacy will work with you to synchronize all of your prescriptions for maintenance medications (medications you are taking on a regular basis). This will allow the pharmacy to get all of your prescriptions due on the same day each month.

Scheduling of refills — Your synchronized prescriptions will be scheduled for filling approximately once each month.

Monthly Medication Review — A few days before your prescriptions are due for refilling each month, the pharmacy staff will contact you by phone to briefly review your current medications, identify any problems you are having, and schedule your next set of refills and the day that you will pick them up or have them delivered.

Ask about our RxSync Service™

[INSERT NAME] Pharmacy has made it easier and more convenient for you to manage your medications.

Press release
Health fair presentation
Prescriber letter
Prescriber fax
Current RxSync Service℠ Pharmacies

- Moore’s Pharmacy (Sebastopol, MS)
- Oxford Family Pharmacy (Oxford, MS)
- Tyson Drugs (Holly Springs, MS)
- Thrift Drugs (McComb, MS)
- PharmNet (Winona, MS)
- Gene Polk’s Pharmacy (Magee, MS)
- Jefferson Pharmacy (Ranson, WV)
- Dripping Springs Pharmacy (Dripping Springs, TX)
- J&D Pharmacy (Warsaw, MO)
- Lo Cost Pharmacy (Savannah, GA)

We specifically market RxSync Service℠ to independent pharmacists. But…
Outcomes of RxSync Service℠
Outcomes of RxSync Service<sup>SM</sup>

- Matched retrospective cohort design comparing RxSync Service<sup>SM</sup> Mississippi Medicaid beneficiaries in network pharmacies to other pharmacies in the same areas.
  - RxSync patients more compliant on statins, antihypertensives, oral antidiabetics than other beneficiaries.
  - RxSync patients achieved 5-star threshold on adherence to statins and antihypertensives.
  - Effect on medical costs.

- Retrospective pre-post enrollment in RxSync Service<sup>SM</sup>.
  - Increased adherence and greater number patients were adherent to statins, antihypertensives and oral antidiabetics post-enrollment compared to pre-enrollment.
Outcomes of RxSync Service\textsuperscript{SM}

- Provider satisfaction
  - Santa Claus

- Patient satisfaction
  - Rural patients
  - Ex-mother-in-law
Pharmacist Profile
Bob Lomenick, RPh
Tyson Drugs, Holly Springs

• Before
  • Ready to “give up” before 2008 implementation.
  • Store was hectic.

• After
  • Increasing volume 10% per year, but has increased available time.
  • Tripled staff size.
  • Delivers just in time.
  • Primary provider to assisted living centers, high rises, apartments.
  • Has hired marketing specialist.
  • Purchased Parata machine.
  • Contracted with Windsor to provide for beneficiaries as a pilot.
  • Provides expanded services and education.
  • Loves pharmacy again.
  • Son wants to apply to pharmacy school; sees change in father.
Remaining Issues

- Having pharmacists make the “leap”.
- Educating patients.
- Paying for all medications once a month.
References


