Managed Care Pharmacy

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Objectives

• Describe the role of pharmacists in managed care plans
• Discuss the role of quality ratings systems in managed care pharmacy
• Explain some of the unique characteristics of Medicare Part D, as compared to commercial drug plans

Health Plans - Some Background

• Three Main Types of Drug Plans
  – Commercial
    • Employer-sponsored insurance
    • Insurance purchased on the individual market
  – Medicare
    • Anyone 65 years old and older
    • Ages 18-64 and eligible for Social Security Disability Income (SSDI)
    • Anyone with End-Stage Renal Disease (on dialysis)
  – Medicaid
    • For low-income people
    • Dual Eligibles – people that qualify for both Medicaid and Medicare at the same time
Role of Pharmacists in Managed Care

- Trends in drug development
  - Patent Cliff
  - R+D pipeline is mostly oncology and orphan drugs
- Medications are becoming more complex
  - Personalized Medicine
    - Zelboraf for malignant melanoma – only works in patients with a V600E BRAF mutation (normal valine is replaced by glutamic acid at amino acid position #600 on B-Raf protein)

Role of Pharmacists in Managed Care

- Judicious use of scarce healthcare resources
  - AZT approved in 1987
    - Original cost - $8000/year
  - Soliris approved in 2007
    - Cost ->$500,000/year
  - Hepatitis C meds approved in 2014
    - Solvaldi
      - Cost ->$1,000/dose
    - Glybera approved in 2014 in the European Union
      - Cost ->one million euros/year

Role of Pharmacists in Managed Care

- Appropriate Medication Use
  - Evidence-Based Medicine
  - Use of treatment Guidelines
    - Epogen
    - Synagis
    - testosterone
### Utilization Management

- **Quantity Limits**
  - Opiates, triptans for migraines, specialty medications, etc.

- **Step Therapy**
  - Must try and fail generic drug before you can get branded drug (generic Zocor and/or Lipitor before Crestor)

### Utilization Management

- **Prior Authorization**
  - Criteria that must be met in order for a member to receive a drug
    - Test Results
    - Chart Notes
    - Adherence to previous drug regimens

- **The newest drug is not always the best drug!**
  - Vioxx

### Formulary

- **Pharmacy and Therapeutics (P and T) Committee**
  - Made up of pharmacists, physicians, nurses
  - Regular meetings to decide:
    - What drugs are covered
    - Drug Prior Authorization (PA) Criteria
    - Drug Tiering
    - Comparative Effectiveness
Rebates

- Agreements between plans and pharmaceutical manufacturers
  - Only done with multiple branded products that are extremely similar
  - Payments made to plans in exchange for preferential formulary treatment for a manufacturer’s product(s)
  - Some rebates depend on a majority percentage of a plan’s members using a drug in comparison to a competitor’s drug

Fraud, Waste and Abuse

- Opiate Abuse
  - An ENORMOUS problem
  - 75% of all drug overdose deaths are due to prescription drugs
- Tools to counter abuse
  - Michigan Automated Prescription System (MAPS)
  - Managed care pharmacists can keep doctors aware of opiate issues

Business Role of Managed Care Pharmacists

- Data management
- Marketing/Requests for Proposals (RFPs)
- Ensuring Return on Investment (ROI) of pharmacy initiatives
Quality Improvement

• Outcomes-Based Reimbursement
  – Healthcare reimbursement is moving away from fee-for-service
  – Future payment systems will not be volume-based but will be based on improving patient outcomes
  – Pharmacists can improve patient outcomes through patient and provider education

HEDIS

• Healthcare Effectiveness Data and Information Set
• A set of quality ratings necessary for National Center for Quality Assurance (NCQA) accreditation
• HEDIS Ratings used for the yearly health plan ranking issue of Consumer Reports
• Several pharmacy measures – medications for COPD, asthma, hypertension, RA, osteoporosis, etc.

Stars

• A Medicare Advantage plan quality scale (one to five Stars)
• All Medicare Advantage plans are rated by the Centers for Medicare and Medicaid Services (CMS)
• Forty-eight different Star measures – 32 Part C, 16 Part D
• Out of the 16 Part D measures, currently 4 are clinical measures
• Plans that stay below three Stars for three consecutive years may have their contracts revoked by CMS
Clinical Pharmacy Stars

• Three Adherence Measures
  – Statins, ACE Inhibitors/ARBs and Diabetes Medications
  – Also part of the Quality Ratings System (QRS) for Exchange plans

• High-Risk Medications in Older Adults
  – Beers list drugs
  – Most Common – Ambien, estrogen, tricyclic antidepressants, muscle relaxants, digoxin (>0.125 mg total daily dose), glyburide

Medication Therapy Management

• A program to optimize patient medication regimens
• Face-to-face or telephonic interaction between patient and pharmacist to discuss all medications
• All Medicare Part D plans must offer MTM services to qualified members

Unique Medicare Part D Issues

• Part B vs. Part D
  – Most drugs are covered under Part D, BUT...
• Drugs covered under Part B
  – Drugs administered via Durable Medical Equipment (DME) (nebulized albuterol, insulin pumps)
  – Drugs administered in a physician’s office
  – Immunosuppressants for transplant patients
  – Oral anti-emetics used for cancer patients within 48 hours of chemo
Unique Medicare Part D Issues

• Vaccines
  – Influenza and Pneumococcal are always Part B
  – Vaccines given “incident to an exposure” (tetanus shot for a puncture wound) are always Part B
  – All other vaccines are Part D

• Part D Excluded Drugs
  – Cosmetic drugs – weight loss, hair growth
  – Cough and Cold – except for chronic illnesses
  – Erectile Dysfunction Drugs – except Cialis for BPH

Medicare Part D Compliance

• Must have a thorough understanding of unique Part D rules and regulations
• Coverage Determinations, Appeals and Grievances (CDAG)
• Operations
• Vendor Oversight
• Pharmacy Benefit Managers (PBMs)

Additional managed care pharmacist roles

• Contracting with and managing pharmacy networks
• Performing academic detailing
• Building clinical initiatives (Stars, HEDIS, QRS, etc.)
• Conducting outcomes research
• Designing and marketing pharmacy benefits
• Encouraging cost-effective use of medications
• Participating in care management, health and wellness
Managed Care Job Description

- Excellent verbal/written communication skills
- Computer/data skills
- Drug Information background
- Clinical skills
- Business acumen
- Public speaking
- Not much patient contact – desk job

Preparing for managed care pharmacy careers

- For Students
  - Internships (summer, P4 year)
  - Residencies
- Advanced degrees, e.g. public health, business, law
- Certificate programs from the Academy of Managed Care Pharmacy (AMCP)
- Engaging in managed care related activities in current work setting (MTM, outcomes research, etc.)

Managed Care Pharmacists

- Pharmacists are needed in managed care:
  - To manage increasingly expensive and complex medications through the principles of utilization management and benefit design
  - To help control opiate overutilization
  - To improve patient outcomes through influencing patient and prescriber behavior, and through providing MTM services
Questions?

KEEP CALM AND CALL A PHARMACIST