Practice Spotlight: Managed Care Pharmacy

By NABEEL QURESHI, Pharm.D., MPH, managed care pharmacy PGY1 resident, University of Michigan Health Systems/Blue Cross Blue Shield of Michigan

What is managed care pharmacy?
Managed care pharmacy focuses on managing prescription drug benefits to improve patient care and control pharmacy costs. Its inception can be traced back to the 1930s but was largely developed in the 1970s, when health care costs rose dramatically; employer groups providing pharmacy insurance began to take an interest in organized approaches of health care delivery, to control drug costs, improve access to health care and enhance the quality of pharmaceutical care. Today, managed care pharmacy consists of many organizations, including pharmacy benefit management (PBM) firms, preferred-provider organizations (PPOs), Medicare Advantage (MA-PD) and health maintenance organizations (HMOs).

What is the role of managed care pharmacists?
About 18,000 pharmacists are employed by health plans and PBMs. Managed care pharmacists integrate patient-specific and drug-specific clinical information with pharmacoepidemiologic and pharmacoeconomic data to make decisions that ensure patient safety, drug efficacy and cost-effective positive health outcomes. Managed care pharmacists are involved with:

• Implementing clinical programs such as prior authorizations and step therapy
• Contracting with networks of pharmacies
• Performing academic detailing
• Managing drug rebates
• Building clinical initiatives
• Developing drug formularies
• Performing drug utilization reviews
• Providing medication therapy management
• Conducting outcomes research
• Chairing and participating in Pharmacy and Therapeutics Committees
• Designing and marketing pharmacy benefits (pharmacy insurance)
• Promoting medication adherence
• Encouraging safe use of generic medications
• Participating in care management, health and wellness
• Communicating safety programs to members and providers
• Targeting pharmacy and medical fraud, waste and abuse

How can you prepare for a career in managed care pharmacy?
Individuals can obtain specialized training through managed care residency programs, where they gain extensive experience in a breadth of fields within managed care pharmacy. Other advanced degree training or experiences that complement the managed care pharmacist’s skill set are public health, business and finance and outcomes research. Internships and certificate programs relevant to managed care pharmacy are also highly valuable in developing competencies for future managed care pharmacists.

What is in the future for managed care pharmacy?
In the foreseeable future, the use of prescription medications, number of individuals with covered prescription drug benefits and cost of new drugs will all continue to rise. This is due, in part, to an aging population, health care reform and advancements in personalized medicine. As such, managed care pharmacy will be increasingly needed to promote cost-effective use of medications and optimal health outcomes. More information about managed care pharmacy can be found through the Academy of Managed Care Pharmacy at www.AMCP.org.
How long have you practiced in managed care pharmacy, and what interested you about this practice area?

I started working in managed care in May 2000. I made a move from Florida up to Michigan, and it was a case where I just picked up and left, knowing I would just find a job when I got up here. I was born in Wisconsin, so I’m a Midwesterner at heart. When job searching, I saw that Blue Cross was looking for someone with Pharmacy and Therapeutics (P&T) Committee experience. I didn’t necessarily have a background in managed care, but with prior experience practicing as a clinical coordinator and serving as a hospital P&T coordinator, I had some of the qualities that they were looking for. My interest was mostly secondary to the job description; it sounded really appealing to me.

What other practice experiences do you have? Have they impacted your thought process or actions in managed care? If so, how?

I graduated from the University of Florida (UF) with my Pharm.D., and then went straight into hospital practice. I practiced as a hospital pharmacist for a year, and decided that I wanted to expand my horizons, so I applied for a residency. I’m unique in that way; not many pharmacy professionals go into practice and then go back to complete residencies. It did give me a unique perspective and somewhat of an edge during the interviewing process. My first residency was an American Society of Health-System Pharmacists (ASHP)-accredited general practice residency at the Medical College of Georgia. Although it was general practice, I had a lot of my rotations focused on infectious disease (ID), which then allowed me to get a follow-up residency focused in that area.

The second residency I completed was unique and focused on ID and computer application. A dean at the UF College of Pharmacy was also the president of a pharmacy application software company, Simkin, Inc. Simkin offered a residency affiliated with the University of Florida. Their software program was designed to assist pharmacists with pharmacokinetic monitoring. Simkin also wanted to develop an antimicrobial surveillance program. I had the opportunity to work with programmers and build a product that linked the pharmacy system with the microbiology lab computer. This program would help pharmacists identify patients who needed their antibiotic therapy narrowed to match their culture and sensitivity report.

Following my residencies, I practiced as a clinical coordinator at a 400-bed hospital. I was brought in to help get pharmacists out on the floor and train them to perform kinetics, antimicrobial surveillance and total parenteral nutrition monitoring. While I found this position very rewarding, it was also extremely demanding. It felt like a 24/7 commitment and I didn’t feel like I had much of a quality of life. I was looking to have a work-life balance, which is one of the appealing things about managed care; for the most part, it’s a Monday through Friday, 9-5 job. You definitely don’t work weekends or holidays, and you’re not on your feet for 12 hours like in retail practice.

In hospital practice, you face many challenges such as discharging patients who are going to be on long-term treatment. When I was in hospital practice, a lot of pharmacists didn’t understand how insurance worked and where roadblocks could occur. If I had known then what I know now, I would’ve realized that we need to figure out what the patient’s pharmacy benefit is and make sure they’re not going to encounter any hurdles in transitioning to an ambulatory patient. It’s important to know what’s on the hospital formulary versus what they’re taking, and understand that the patient is required to be on certain medications because of their insurance benefit. I see the bigger picture now and instead of focusing on one patient, I’m looking at what is best for a large group of patients, and implementing that thought process can be difficult for hospital pharmacists to transition to. We just hired three new pharmacists and they’ve all had many years in hospital practice, so they’re going to have a learning curve. When they review a prior authorization case, it’s going to be hard for them not to look at that person individually. We’re looking at how their decision could impact all the other patients who are on a similar treatment, so every decision sets a precedent. What I learned in hospital and retail practice made me a better managed care pharmacist because I’ve been on the other side.

One of your colleagues shared that you “live managed care pharmacy every day.” What does it mean to live in this practice every day, and what motivates you to continue practicing in this area?

The first thing that I do every day is have my cup of coffee and look through headlines to see if anything’s happening related to Food and Drug Administration (FDA) activities and in the pharmaceutical industry. I’m looking to see what drugs are approved, which are up for FDA panel review and anything that’s coming down the pipeline. I’ll admit that I love my job so much that I find it hard to turn it off on weekends. It’s living drug information on a daily basis, and knowing what’s happening in the market. We had a $1 million drug approved last year; what are we going to do about that? Once a drug is FDA-approved, what are we as an insurance plan going to do to make sure it’s available for the right patients? If the wrong patients take it, less patients are going to be able to have access to it. This results in an overall hit on the budget, and that’s when you see an impact on premiums and people ask why their premiums are going up. I’m constantly being challenged...
As a preceptor for formulary and drug information, what is the most valuable lesson that you’ve learned?

It’s my three Ls: life-long learning. Having students keeps me fresh. It keeps me on top of things. When they start off their rotations, I always tell them that they’re going to learn from me, but I want to learn from them too. Drug information is constantly evolving, so I challenge them to teach me something. I did say that I love my job, but you don’t love your job every day. When you have students, however, it makes you remember why you went into pharmacy because their enthusiasm is contagious.

I also tell students who are going into the drug information field that they’re going to be a jack of all trades, and master of none. As a pharmacist, you don’t know all the answers, but you need to know where to look them up. My parents were both pharmacists, and when my mom was interviewing for her license in Wisconsin, she and another fellow were asked some really intense pharmacology-related questions by the Board. The fellow sitting next to her went into a long-winded answer that he was pulling out of nowhere, and then they turned to my mom for her response; and she said I would go and get the Physicians’ Desk Reference because back then that was the main drug information resource. The Board immediately commended my mom and approved her license. So it’s not that you know the answers, but that you know where to find them.

What’s one thing that you would want student pharmacists and other pharmacy professionals to know about practicing in the managed care field?

That it’s an option. I certainly never heard about it in pharmacy school, and I didn’t know that was because of demographics. I asked a few of our newer residents and hires who are fresh out of pharmacy school, and they had to seek out information on managed care; it was not really given to them in pharmacy school. I want people to know that there is an option to be a clinician in managed care. You still can use your clinical knowledge, make an imprint and affect change.

What advice would you give to others who are thinking about a career in managed care pharmacy? Are there any resources, education/training or rotation experiences that you would recommend to them?

There are rotations available when you’re in your final year of pharmacy school (we offer them at Blue Cross). Internships are also available; we always have several students come through in the summer. In addition, there are residency programs. We now offer an ASHP-accredited residency at Blue Cross. Right now, my colleagues are trying to have more of a presence in the schools, speaking to P3 student pharmacists and having roundtable discussions where they can ask questions. I’m always willing to talk to students who are interested. I’ve found that students typically seek out information on managed care; they’re being proactive because they’re not learning it from their college. One really awesome resource is the Academy of Managed Care Pharmacy (AMCP). They have tons of great information out there for students, including explanations of basic managed care concepts and a student center on their Web site.

When we have students come through, I also stress residencies. I see things changing in the future. Back when I was in school, they pushed completing a residency or fellowship, but I had the “No, I’m done!” mentality. I wanted to go make money and have a life, but I found out later that it’s hard to get your ideal job with just a Pharm.D. My residency experiences were so tremendous. What I learned from residencies was so different from what I learned in academia (practical skill sets, how to manage projects, how to organize and give presentations, and how to be a well-rounded individual). Your job is such a huge part of your life and I think the steps that I took early on contributed to my current happiness. I always tell my students to make sure that they don’t limit themselves, and focus only on the short-term.