

Healthcare Reform: Current Status and its Implications for Pharmacists

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Pharmacist Objectives

- Review the fundamental elements of the ACA and impacts on patient care, health-system implications, and consumerism in healthcare
- Discuss key elements of the ACA that are specifically related to pharmacy practice
- Provide examples on how pharmacists can enhance patient care based on the current implementation status of the ACA



Technician Objectives

- Review the fundamental elements of the ACA and impacts on patient care, health-system implications, and consumerism in healthcare
- Discuss key elements of the ACA that are specifically related to pharmacy practice
- Provide examples on how pharmacists can enhance patient care based on the current implementation status of the ACA

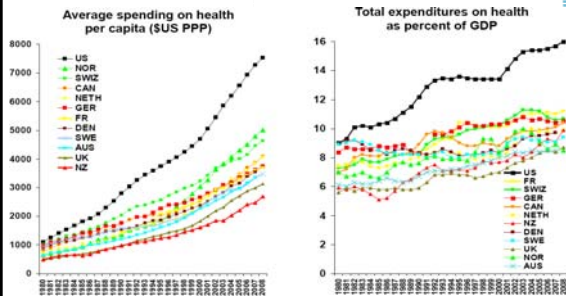


The Affordable Care Act and its Impact Thus Far



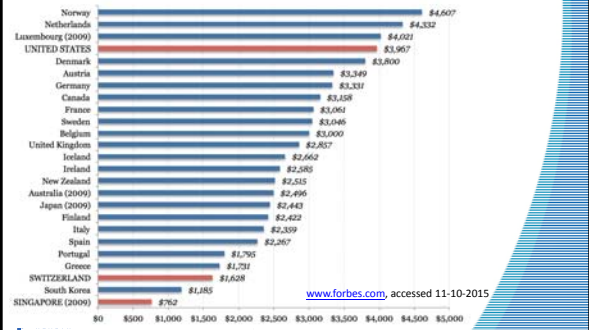
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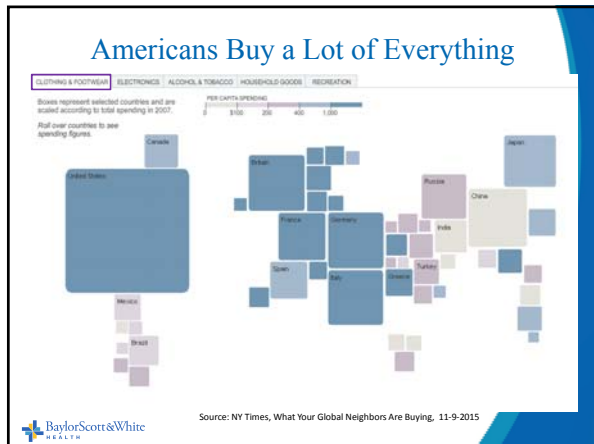
Why? Financial Impact is Unsustainable

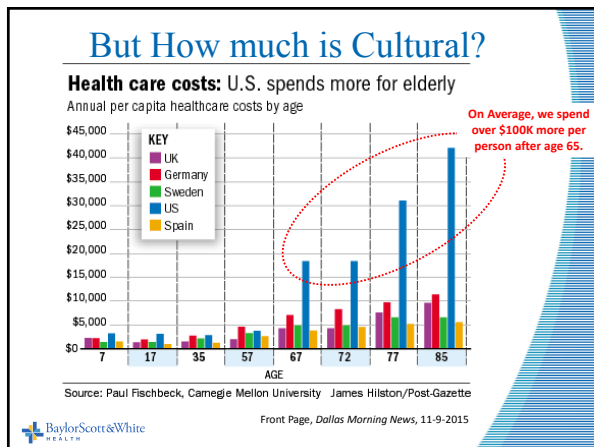


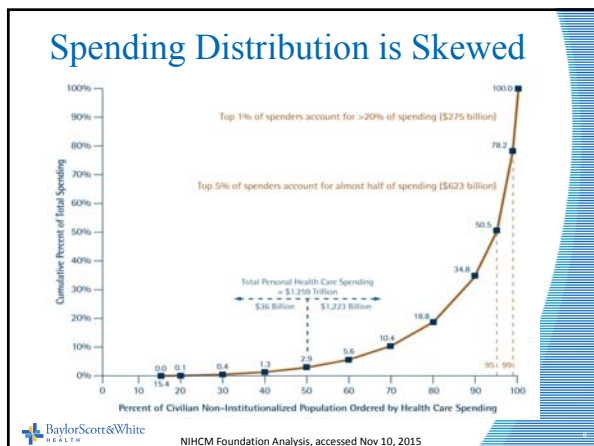
But We Spend More!

2010 Public Health Expenditure per Capita (US\$ purchasing power parity-adjusted)



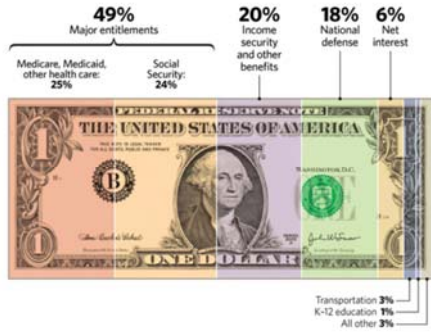






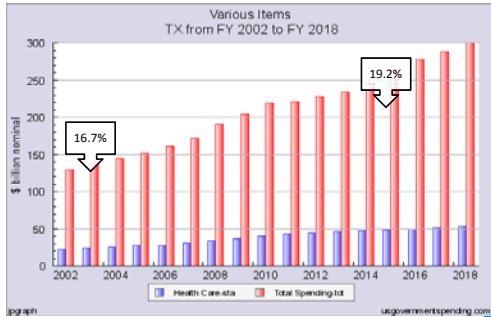
The Real Reason?

SHARE OF FEDERAL SPENDING IN 2013



Source: Office of Management and Budget

Health care accounts for nearly 20% of Texas government spending from state, federal and other sources



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Question

- The following are provisions of the Affordable Care Act (ACA) *except*:
 - A. Elimination of pre-existing conditions
 - B. Fees/Tax penalties for those that do not buy insurance
 - C. Guaranteed health-plan cost reductions
 - D. Medicare payment reductions

Marketed Provisions - Affordable Care Act

- You've heard about these:
 - Coverage for children up to 26
 - Eliminating the doughnut hole for seniors
 - No cost preventative care
 - Review of premium increases $\geq 10\%$
 - Removing lifetime caps
 - Eliminating pre-existing conditions
- "Affordable" Insurance Exchanges
- Payment increasingly tied to quality, service, and safety
- Shared financial responsibility for care outside the hospital

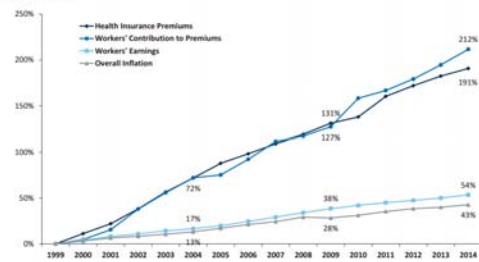
Non-Marketed Provisions - Affordable Care Act

- Insurance Plan Requirements
- Medicaid expansion participation
- Medicare Cuts of \$716 Billion
- Medical Device Tax
- Perverse Penalties and Fees
- Reimbursement Reductions
- Didn't Address the "Doc Fix"
- High Deductible Plans
- Unintended Consequences
 - Insurance Drops
 - 50 Worker Provision
 - 30 Hour provision



Costs are not Declining

Cumulative Increases in Health Insurance Premiums, Workers' Contributions to Premiums, Inflation, and Workers' Earnings, 1999-2014



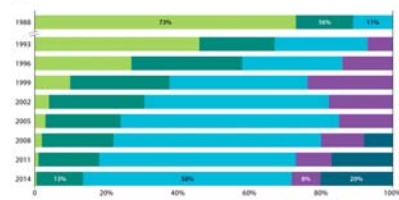
SOURCE: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2014; Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2014; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2014 (April to April).



The "Shape" of Insurance is Changing

Employer-Provided Enrollment by Plan Type, 1988-2014

Increased cost sharing by employees and narrower networks.



Source: Henry J. Kaiser Family Foundation (2014), The Henry J. Kaiser Family Foundation Health Research & Educational Trust (HRET) Survey of Employer-Sponsored Health Benefits (1988-2012), and the AFM Health Survey of Employer-Sponsored Health Benefits (1985 and 1990).
 Note: HMO = health maintenance organization; POS = point-of-service plan; PPO = preferred provider organization; HMO/POS = high-deductible health plan with coverage option.
 Conventional plans do not include cost sharing. HMOs have coverage around a primary care physician. PPO and POS plans charge higher rates for services outside a preferred provider network and/or require change-behind-premiums. HMO/POSs are the newest innovation, offering lower premiums in exchange for higher deductibles. Information not available for POS plans in 1988.



Many Implications for Health-Systems

- High Deductible Plans
- Very narrow networks
- More employed physicians
- Quality focus is greater than ever
 - Significant financial implications with VBP
- Other market pressures driving down volumes:
 - Readmission Reduction, LOS Reduction
 - Free-standing EDs, Surgery Centers, Procedure/Imaging Centers, etc.
- Focus on Post-Acute Care



Many plans, but less choice?



So has coverage improved?

Coverage Calculation

Changes in health-insurance enrollment

TYPE OF POLICY	ESTIMATED NUMBER OF PEOPLE	NET CHANGE IN MILLIONS
Employer-sponsored insurance	Sept. 2013: 108.7 million	+8.2
	March 2014: 116.9 million	
Medicaid	12.3	+5.9
	18.2	
Individual market	9.4	-1.6
	7.8	
Federal/state exchanges	0	+3.9
	3.9	
Other	27.5	-7.1
	20.3	
Insured	157.9	9.3
	167.2	
Uninsured	40.7	-9.3
	31.4	

States that DID NOT expand Medicaid have seen only a 1.7% improvement.

Note: Estimates extrapolated from results of a survey of 2,425 adults ages 18 to 64 conducted in September 2013 and March 2014.
Source: RAND Corporation The Wall Street Journal



Question

- Implications for Texas health-system practice sites include all of the following *except*:
 - A. Greater focus on healthcare quality
 - B. Increased number of Medicaid eligible patients
 - C. Potential for greater out-of-pocket costs to patients
 - D. Insurance exchange plans that do not include local hospitals

So, what does this all this mean?

- Individuals and businesses will be scrutinizing health expenses more and more
 - Trying to find a balance between cost and value
- More uninsured may become insured
- More insured may become uninsured
 - May also affect family members
- Beware of narrow networks in many plans
- Really depends on individual situations
 - Many consumers may find affordable plans
- Consumerism in healthcare is growing

What are the implications to
Health-System Pharmacy
Practice?

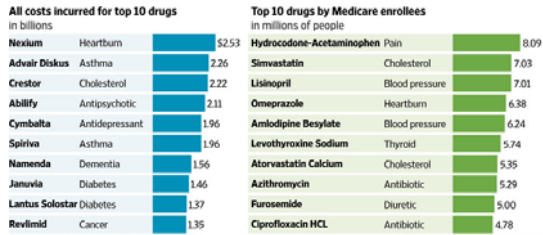
Specific Pharmacy Benefits

- One of the ten “essential benefits” required for insurance plans
- Medicare Part D coverage gap expansion
- Expansion of coverage and removal of some exclusions
- Annual medication review and expansion of Medicare Part D MTM
- AHRQ’s Medication Management Services in Treatment of Chronic Disease grant program
- *Unique opportunity for pharmacists to drive improvement efforts*

And Medication costs are significant

Most Prescribed

Costly brand-name drugs top the list of what Medicare pays for in its Part D prescription program, while pain, cholesterol and high blood pressure are among the leading ailments targeted, in 2013.



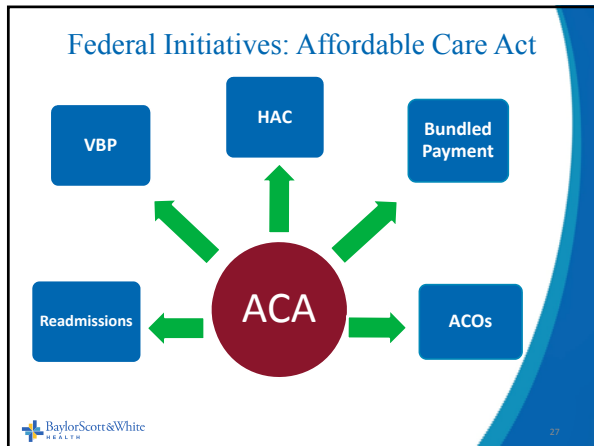
Source: Centers for Medicare and Medicaid Services

THE WALL STREET JOURNAL

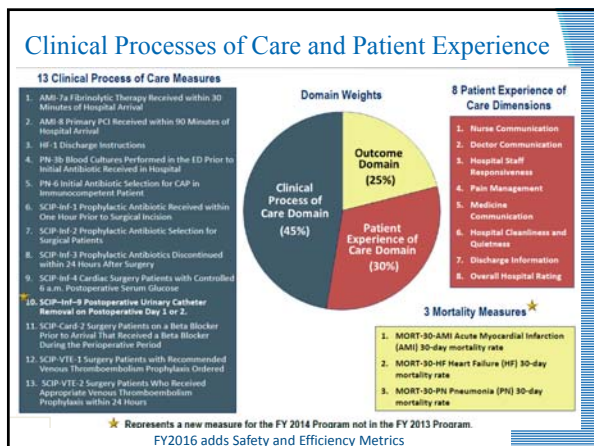
Est. \$88B in total expenditures for Part D in 2016

Question

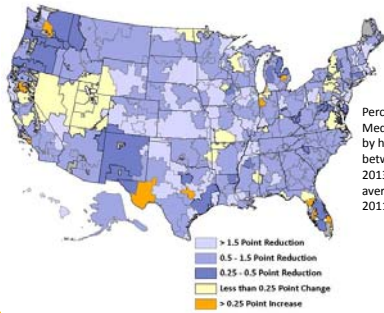
- Pharmacists and technicians have significant opportunities to address national value-based purchasing (VBP or P4P) initiatives.
 - A. True
 - B. False



- ### Key Reform Focus Areas
- ACOs, Medical homes and care coordination
 - Readmission prevention
 - Rewards for quality
 - Improved patient safety
 - Reduced duplication of services
 - Appropriate use of technology
 - Cost-effectiveness research and use
 - Dissemination of best practices
 - Improved access to care
- Pharmacists can contribute significantly in all of the above areas!**
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Readmission efforts are working



What is Driving Patient Consumerism?

- Analogous thought
- Technology
- Generational Shifts
- Choice and lack of Choice
 - Plans and Providers
- Value-based data availability and transparency
- High deductibles and out-of-pocket costs



Question

- Increased healthcare consumerism could drive patients to access pharmacists and health-systems differently.
 - A. True
 - B. False



Some Interesting Facts

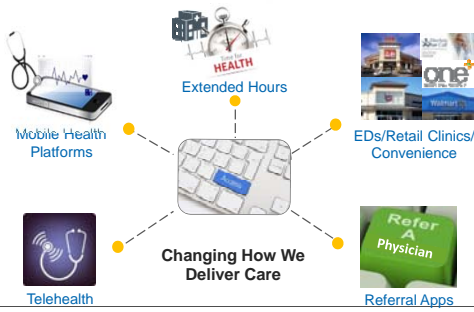
- 56% of Consumers would consider using retail clinics
- 42% say that distance is a primary factor for choosing a PCP
- 70% of young Millennials (aged 18-24) choose a primary care physician based on recommendations from family and friends, compared to only 41% of patients over the age of 65
- 54% of young Millennials said they search online for health information before seeing a physician and rely on doctor ratings (versus 39% for the global population)
- Only 29% of patients in Tarrant County, Texas would be willing to have someone monitor medication adherence

Sources: Advisory Board Survey on Consumerism 2015, Nuance Communications, DFW Hospital Council Consumer Survey, August, 2015



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Improved Patient Access Through Partnerships and Technology



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How can Pharmacists and Technicians make an Impact?

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Question

- Areas for pharmacist and technician leverage under the ACA include all of the following *except*:
 - A. Opportunity to acquire physician practices
 - B. Enhanced medication reconciliation
 - C. Antibiotic stewardship programs
 - D. Participation in patient medical homes

Many Areas of Pharmacist Leverage

- Technology
 - CPOE, bar-code scanning, decision support
 - Remote pharmacy support
- Quality improvement initiatives
 - SCIP, anti-coagulation, etc.
 - Pay for performance
 - Evidence-based practices
- Financial performance
 - Program development and return on investment
 - Reimbursement and charge capture
 - Cost avoidance - formulary, interventions, 340b, therapeutic subs, antibiotic stewardship, etc.
 - Patient assistance programs
- Programs and services
 - Medication reconciliation, readmission prevention, compliance
 - ED, ICU, and other specialized practice offerings
- And MANY Others...

Medication Reconciliation

- 50.8% of discharged patients experienced one or more clinically important medication errors during the 30 days after hospital discharge.
- Identified 1140 MRPs “demonstrating the need for medication reconciliation at each transition of care.”



BS&W Pharmacy Initiatives

- 24 + 5 retail pharmacies
 - Discharge Rx Program
 - Virtual Counseling
 - 48-hour follow-ups
 - “Free” prescriptions
- Walgreens partnership for NP clinics
- Counseling for reminder apps
- Medical Home RPh
- MD clinic-based pharmacists
- ED Medication reconciliation by technicians




-  Walk-ins Welcome & Appointments Available
-  Open 7 Days & Weeknights, Too
-  Most Insurance Accepted
-  Treatment For Patients 18 Months & Older
-  Board-Certified Family Nurse Practitioners
-  On-Site Pharmacy





Family medical care made easy


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Patient Education



myBSW Rx



HealthSource



MyMedSchedule


MediSafe


Drugs.com


MedCoach


CareZone


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Questions and Discussion

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