

The Patient-Centered Medical Home

How Does Managed Care Pharmacy Add Value?

With health care reform now being implemented, it is important that managed care pharmacy understand how to provide value for any new programs. One of the models embedded in health care reform is the Patient-Centered Medical Home. This model of care is designed to provide comprehensive care that facilitates partnerships between individual patients and their primary care physicians supported by other qualified health care professionals, including pharmacists, and replaces episodic care based on illnesses. Care is facilitated by information technology, health information exchange and other means to assure that patients get the indicated care.¹

Creating patient-centered medical homes will be challenging, and may require some restructuring of the current health care system. To assist with this process, principles of the Patient-Centered Medical Home have been developed. The basic components of a patient centered medical home include:¹

- A personal physician
- Whole-person orientation
- Enhanced access to care
- Patients actively participate
- Patients and families participate in quality improvement activities at the practice level.
- Safe and high-quality care
 - Evidence-based medicine
 - Clinical decision-support tools guide decision making
 - Meeting and raising benchmarks for high-quality, efficient care
- Appropriate use of health information technology
- Accountability for continuous quality improvement through voluntary engagement in performance measurement and improvement
- Aligning financial incentives to enhance value and achieve savings payment that recognizes the added value provided to patients

¹ American Academy of Family Physicians, American Academy of Pediatrics, American College of Physicians, American Osteopathic Association; Joint Principles of the Patient-Centered Medical Home; March 2007; <http://www.medicalhomeinfo.org/downloads/pdfs/JointStatement.pdf>

The patient-centered medical home has the opportunity to play an integral part in improving the quality of the health care system. In order to accomplish this, metrics have been developed to recognize and monitor medical homes.² These measures include:

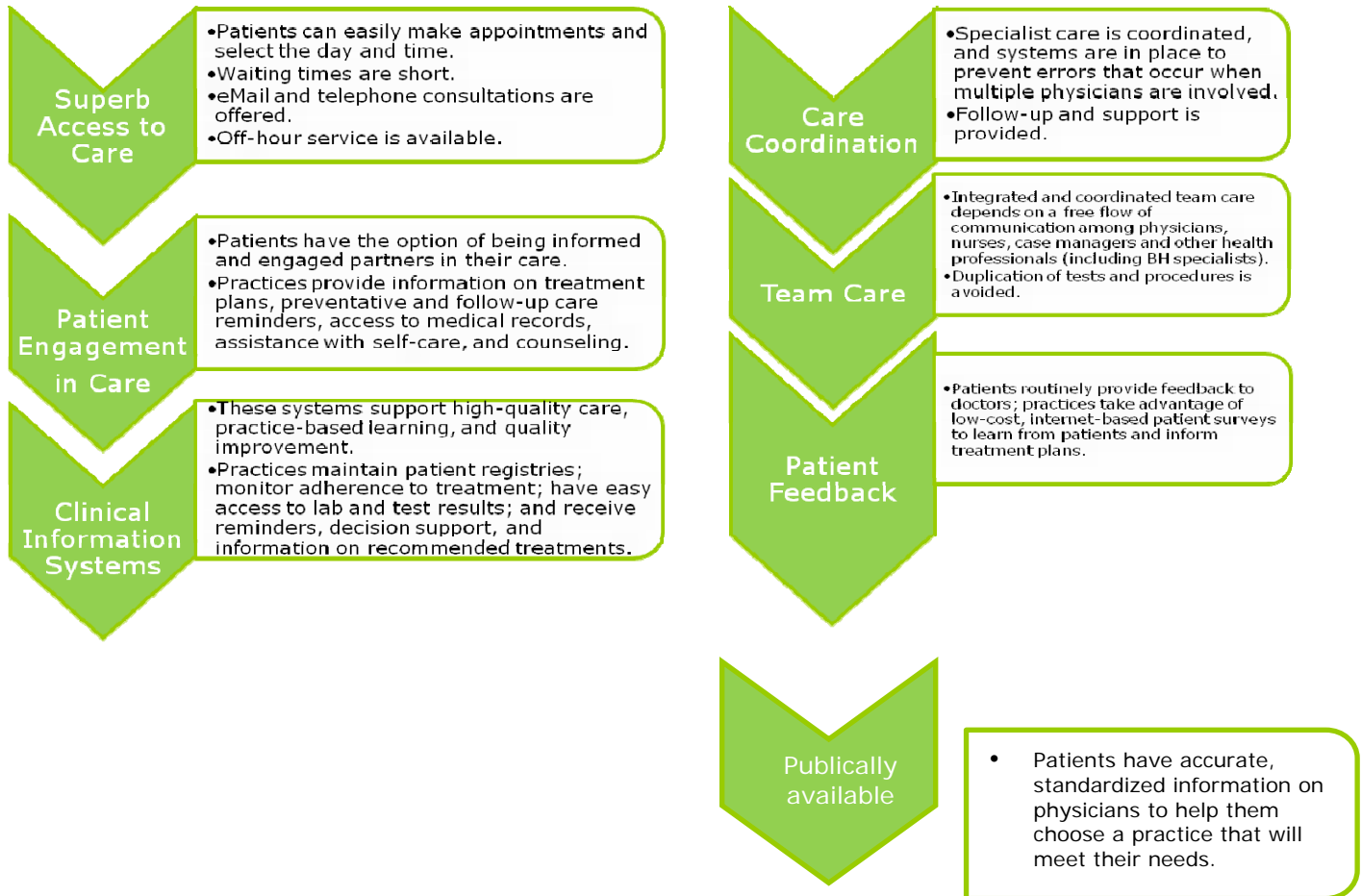
- Written standards for patient access and patient communication
- Use of data to show that standards are met
- Use of charting tools to organize clinical information
- Use of data to identify patients with important diagnoses/conditions
- Adoption and implementation of evidence-based guidelines
- Active support of patient self-management
- Tracking system to test and identify abnormal results
- Tracking referrals
- Measurement of clinical and/or service performance
- Reporting performance

The question is, where and how does managed care pharmacy provide value?

In order for the patient-centered medical home to succeed, patients must have a personal provider that advocates for them, coordinates their care, collaborates with other health care providers, and is accountable for health outcomes. Managed care pharmacy can be a vital partner in the success of the patient-centered medical home.

² National Committee for Quality Assurance; Physician Practice Connections – Patient-Centered Medical Home; <http://www.ncqa.org/tabid/631/Default.aspx>.

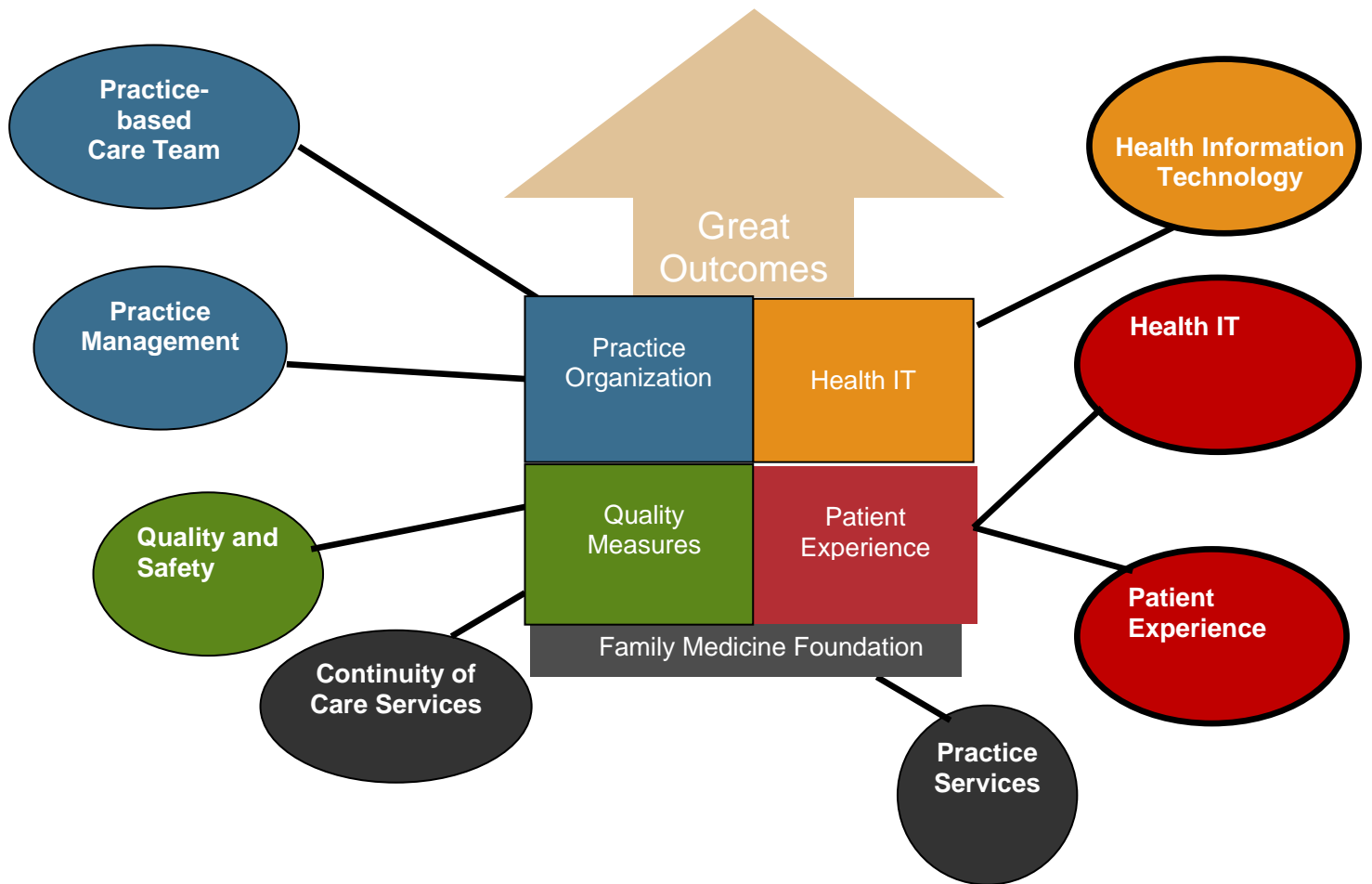
Defining the Medical Home



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³ Patient Centered Primary Care Collaborative; PCPCC PowerPoint 040110; http://www.pcpcc.net/files/pcpcc_4_1_2010.pptx

The Family Medicine Model⁴



⁴ Patient Centered Medical Home; The Family Medicine Model;
http://www.ohioafp.org/wfmu/docs/MODEL_Med_Home.ppt#358,17, Slide 17

Where Does Managed Care Pharmacy Add Value in the Medical Home?

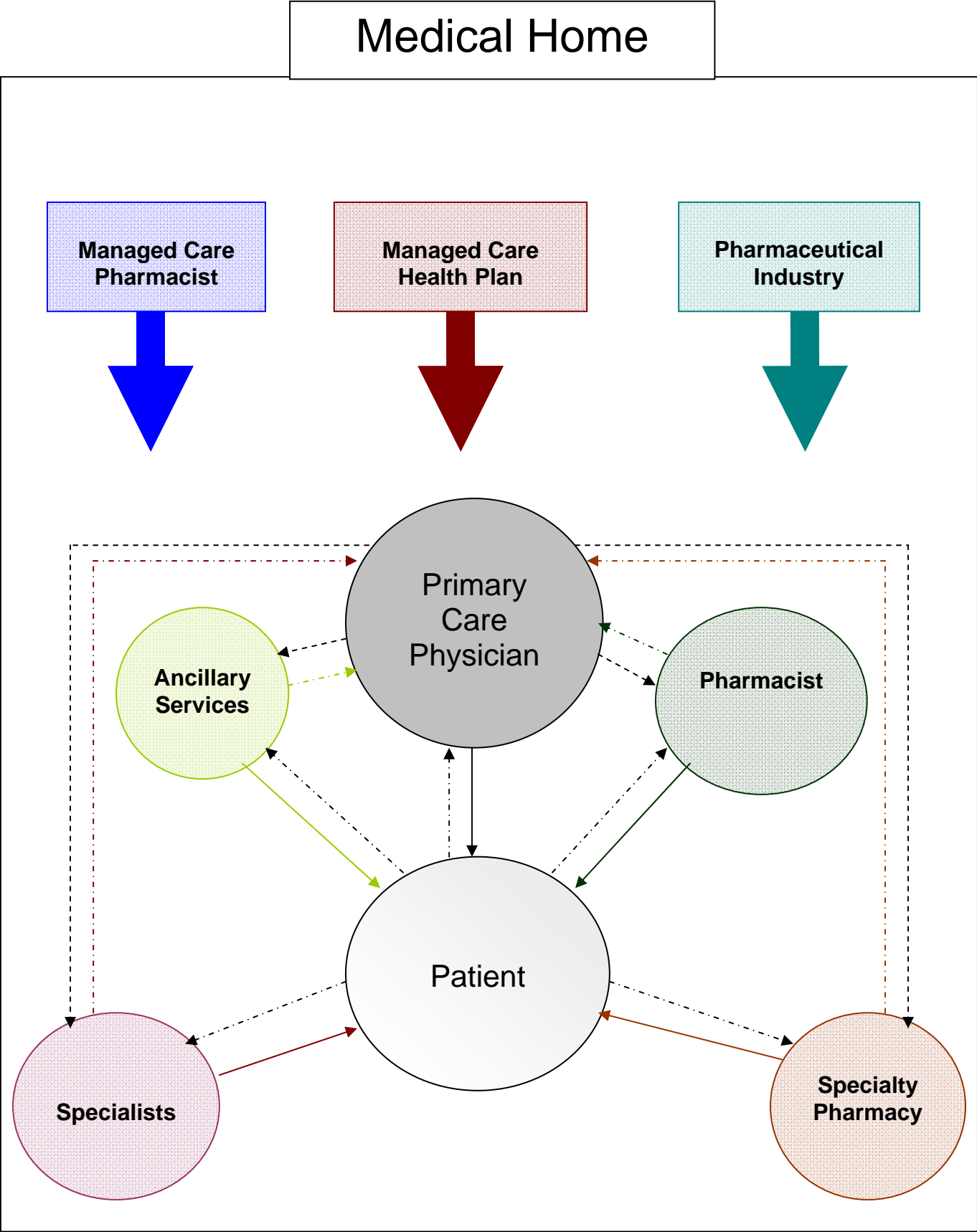
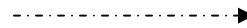
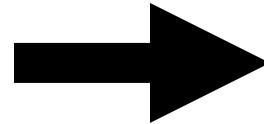
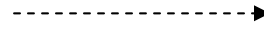


Chart Symbols:

- Direct Patient Care Services Delivered
- PCP Direction Given
- Indirect Patient Care/Services Provided
- Feedback



Assumptions:

- Managed care organization impacts all elements of medical home
- Managed care tools have various benefits depending on the specific provider impacted

How the Primary Care Physician adds Value:

- Clinical management
The primary care physician is the point of contact for clinical services, and makes clinical decisions with patient input
- Coordination
The primary care physician coordinates all clinical services provided to the patient within the medical home
- Oversight of outcomes of all services
Feedback provided by the medical team and the patient is used to determine if the treatment plan benefits the patient and therapy is modified to ensure positive outcomes

How the Specialist adds Value:

- Evidence-based clinical support
Specialists integrate scientific knowledge, own clinical experience, and individual patient characteristics to influence health care choices and improve clinical outcomes.
- Coordinating with PCP and Health Plan
Specialist care is coordinated and systems are in place to prevent errors that may occur when multiple physicians are involved
- Meet Quality Standards
Improves the quality and efficiency of health care system through established standards based on specialty.⁵

How the Pharmacist adds Value:

- Drug Monitoring Services:
Patient counseling: The community pharmacist is one of the most easily accessible health care professionals. Patients are able to speak to their pharmacist when needed without requiring an appointment
Physician consulting: The community pharmacist is also easily accessible to the physician
- Medication Therapy Management
Review the patient's medication profile for drug interactions, drug duplication, and appropriateness of dose and route of administration for the medications that the pharmacist has access to (i.e., patient may have received samples or filled their prescriptions elsewhere)

⁵ American Board of Medical Specialties; http://www.abms.org/About_ABMS/

- Evidence-based drug therapy
Integration of the best evidence, the individual characteristics of the patient, and drug expertise of the pharmacist, into a decision making process leading to optimal drug therapy. This is a complex process that requires understanding of the evidence, benefits, and risks.
- Coordinating with PCP and Health Plan
Regularly communicate with the health plan for reimbursement issues and with the PCP for clinical concerns

How Ancillary Services add Value:

- Evidence-based clinical support
Current best evidence from the research is utilized and the knowledge applied to influence health care choices that improve outcomes.
- Coordinating with PCP and Health Plan
Health plans provide information that allows the physician and patient to make informed decisions about care.
- Meet Quality Standards
Improves the quality and efficiency of health care system by applying established standards.

How Specialty Pharmacy adds Value:

- Evidence-based clinical support
 - Utilize evidenced based validated tools to risk stratify patients, and then, to provide the interventions accordingly
 - Adherence and/or compliance and persistency interventions tailored to specific disease states
 - Individualized treatment plans (maximize adherence and minimize suboptimal responses to therapy)
 - Employ clinically accepted and documented screening questionnaire or assessment tools to improve clinical and quality of life outcome
 - Support Case Management including patient education
 - Develop clinical guideline in conjunction with health plans
 - Coordinate with PCP and Health Plan
 - Support the physician and patient health map by monitoring patient's compliance and adherence.
 - Tailor intervention to achieve optimal compliance's and adherence's goal
 - Utilize widely accepted methodology to monitor compliance, such as, medication possession ratio.

- Manage patient through order intake, benefits investigation and order fulfillment process.
- Communicate to the prescriber medication related disruption or negative experience (e.g., side effect, intolerance) to amend patient health map
- Coordinate medication distribution with infusion facility provider's office, home or workplace as clinically appropriate
- Meet Quality Standards
The role for pharmacists is to provide high quality, services for patients that enhance patient care and outcomes.

How the Managed Care Pharmacist adds Value:

- Formulary management
 - The purpose of formulary management is to optimize patient care through rational drug selection.
 - Currently, the formulary process is based on evidence-based clinical evaluation and assessment and pharmacoeconomic analysis.⁶
 - Pharmacists play a primary role in assessing the relative value, safety, and efficacy of drugs recommended for addition or deletion to a formulary.
 - Supporting a formulary with a primary focus on outcomes instead of financial incentives, in such a way that is applicable to individual patients within the PCMH. For example, using pharmacogenomic data.
 - Ensuring that cost-effective medications are available for use by maximizing contracts with manufacturers for those medications deemed appropriate for formulary inclusion.
- Data/Communications
 - Target sample populations with increased medical and pharmacy claim costs and create and fund pilot programs to launch smaller scale medical homes and use that as an example for health plans to implement a PCP directed medical team.
 - Provide patient medical histories and prescription claims histories for all practitioners within the medical home.
 - Provide more focused, personalized communication, clinically pertinent information to the medical and pharmacy providers. (e.g., outcome research, clinical guideline changes/new, FDA blackbox warning updates, etc)
- DUR support
 - The Drug Utilization Review (DUR) process shares valuable prescription drug information online with pharmacists.

⁶ *J Manag Care Pharm.* 2009; 15(2):133-46 Copyright © 2009, Academy of Managed Care Pharmacy

- The primary goal of drug utilization review is to enhance and improve the quality of pharmaceutical care and patient outcomes by encouraging optimal drug use.
 - This goal is accomplished primarily by educating physicians and pharmacists to ensure that drug therapy is appropriate, safe and effective.
 - To provide up-to-date information an ongoing review and evaluation of pharmacy claims data, national standards, outcomes research, and scientific literature occur.
 - Continuous evaluation of the effect of the drug use is done to ensure usefulness of intervention.⁷
 - Communicate clinically pertinent information to the medical and pharmacy providers. (e.g., outcome research, clinical guideline changes/new, FDA blackbox warning updates, etc.)

- MTM support
 - Medication Therapy Management is a distinct service or group of services that optimize therapeutic outcomes for individual patients.⁸
 - Medication therapy management is a partnership of the pharmacist, the patient or their caregiver, and other health professionals, including managed care pharmacists, that promotes the safe and effective use of medications and helps patients achieve the targeted outcomes from medication therapy.⁹
 - Managed care can provide drug utilization review (DUR) data such as drug interactions, duplicate therapy, information on medication habits, identify patient eligibility, and assist with quality measures
 - Provide all necessary information for practitioners providing MTM services.

- Cost-effectiveness analysis
 - Determines which therapies are better in terms of the positive and negative consequences associated with them.
 - Cost-effectiveness of a therapeutic or preventive intervention is the ratio of the cost of the intervention to a relevant measure of its effect.
 - Assesses the gains in health (outcomes) relative to the costs of different health interventions.

⁷ Drug Utilization Review in an HMO I. Introduction and Examples of Methodology, by Sheila K. West, Brenda M. Brandon, Anne M. Stevens, Ann Zauber, Gary Chase, Paul D. Stolley and Richard E. Rumrill © 1977

⁸ Medication Therapy Management Services Definition and Program Criteria; July 2004; <http://www.amcp.org/cfr/waSys/f.cfc?method=getListFile&id=AB451FBB>

⁹ American Pharmacists Association; MTM Tools; <http://dev.pharmacist.com/AM/PrinterTemplate.cfm?section=MTM>

- Determine which therapeutic strategies achieve a given therapeutic goal or will have the greatest impact on health to get the most out of financial resources.
 - Helps redirect resources to achieve more.
 - Requires scientific knowledge and relative costs of therapies.
 - Evaluates the pharmaco-economic benefits and challenges of medication therapy
 - Analyzes holistically (both medical and pharmacy) the financial impact of a medication therapy to achieve optimal clinical outcomes.

- Evidence-based drug reviews and guidelines
 - Evidence-based treatment is an integration of best research evidence, clinical expertise, and patient values.¹⁰
 - It is a dynamic process that integrates ever-evolving clinical expertise and external evidence in day-to-day practice.
 - This approach identifies evidence for a practice and rates it according to how scientifically sound it may be.
 - The goal is to eliminate unsound or excessively risky practices in favor of those that have better outcomes. Because evidence based practice is patient-centered, a clinician must interpret the best current evidence from systematic research in relation to an individual patient.
 - Analyze and consider drugs on the formulary based on therapeutic evidence from well-designed, relevant clinical literature; participate and support a group of health care professionals in the determination of optimal drug coverage with the best clinical outcomes.
 - Provide a centralized managed care "report card" to demonstrate member specific recommendations based on available clinical interventions (adherence, drug use review, etc.).

- HEDIS® gap analysis
 - Work with NCQA and determine quality and safety measures.

- Medication adherence/compliance monitoring
 - Support compliance/adherence programs (including under and over adherence).
 - Provide physicians member listings of who are noncompliant and non-adherent to chronic medications.

¹⁰ Sackett DL, Rosenberg WM, Gray JA, Haynes RB, Richardson WS. Evidence based medicine: what it is and what it isn't. *BMJ*. 1996 Jan 13;312(7023):71-2.

- Identify members with positive diagnosis or are high risk, but not taking medications.
- Quality Assurance Programs
 - Facilitate documentation and support quality assurance programs for practitioners within the medical home
 - Communicate results to the providers, such as, vaccination programs, MTM, drug interaction notification, medication counseling.

How the Managed Care Health Plan adds Value:

- Participate on PCMH program as part of the "home"
 - Patient eligibility
 - Enrollment process
- Wellness programs
 - Interventions for those individuals at risk to lower health care costs, increase productivity, and decrease illness and injury.
- Health promotion
- Health risk assessments
 - Scientifically based review used to identify risks to health
- MCO can provide disease education materials or CE sessions on topics such as chronic disease
- Provide physician training to implement a medical home model and help with the ‘business side’ of health care.
- Support e-prescribing and e-medical technology to improve communication between all providers

Support portability of medical history from one health plan or managed care pharmacy to another, also to include all providers such as hospital to community pharmacy. This may include transitional periods where the provider system is not yet fully integrated where MCO can provide a link with their data.
- Support longitudinal studies such as demonstrating the value of PCMH model vs. traditional model; patient outcomes in the PCMH model (ex. compliance)
- Using the pharmacy and medical claims, send physicians and members (lab, late refill, annual physical exam, preventative exams, etc.)
- Create incentives for different health care sectors to participate in a PMCH model and have legislative support to proceed
- Incentivize physicians to use evidence based medicine and promote preventative care by giving bonuses, creating rating scales so all PCMH can be ranked, allow additional payment for quality work etc. I know that this one is more for reimbursement topic but I think using the reimbursement
- Communicate to the medical providers of any pharmacies and prescribers violating medical or pharmacy law or regulation

- Provide medium for members to rate the model itself, PCP, and the entire team of providers

How the Pharmaceutical Manufacturer adds Value:

- Medications
Pharmaceutical manufacturer develop, produce and market innovative drugs for use as prescription medications.
- Drug information
Health care practitioners obtain drug information from reports on clinical trials published in medical journals and distributed by drug company.
- Adherence/compliance programs in partnership with managed care and/or pharmacies
- Pharmaceutical manufacturers provide an array of programs to assist pharmacies, physicians, and health plans to improve patient care.

Payment Mechanisms

The Patient-Centered Primary Care Collaborative (PCPCC) has proposed a framework for changing current payment policies and realigning payment incentives to more appropriately recognize and reward primary care health services provided by physicians and other health professionals whose services are or may be delivered within a patient-centered primary care medical home. The PCPCC Payment Model encompasses a three-part methodology:

- A monthly care coordination payment for the physician's work that falls outside of a face-to-face visit and for the health information technologies needed to achieve better outcomes;
- A visit-based fee-for-service component for services currently recognized and paid under the existing fee-for-service payment system; and
- A performance-based component that recognizes achievement of service, patient-centeredness, quality, and efficiency goals.

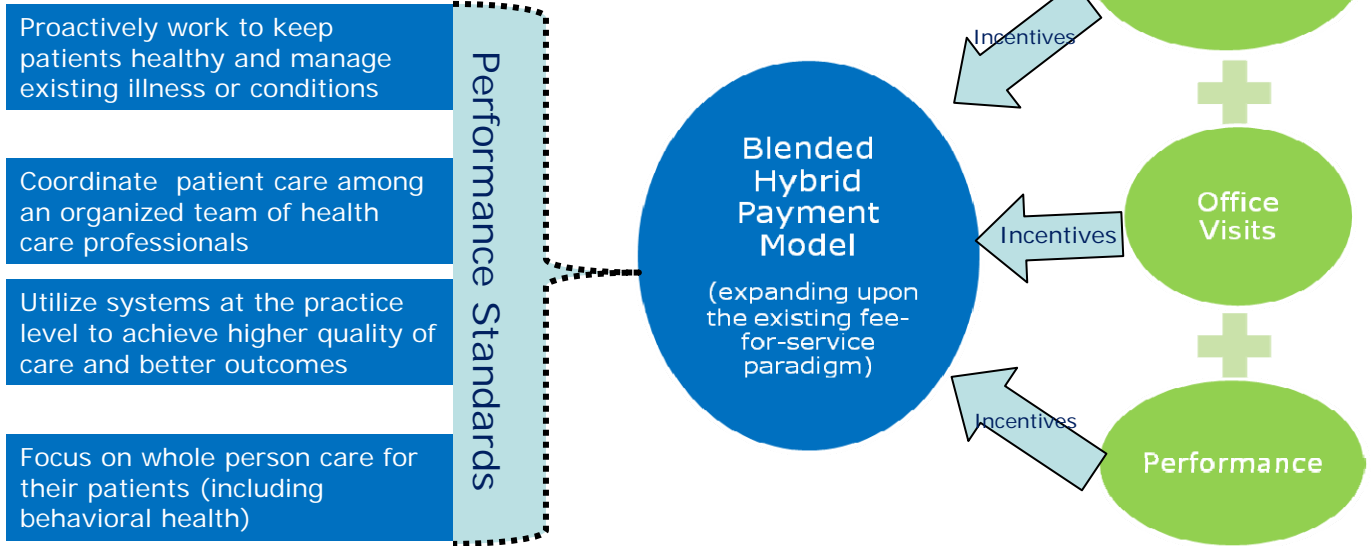
Capitated approaches to payment for medication management services are currently taking a number of forms. One approach that is being accepted by employers is to pay a capitated per member per month fee for those employees who are actually receiving the service (not the total covered lives or the eligible lives). Another approach, by a state government, pays for medication management on an annual, capitated basis for those employees who are receiving the service.

It is likely that the breadth and depth of medication management services that a particular medical home practice can provide to its patients will vary based on factors such as practice size and location, patient needs and complexities, and the clinical goals, quality objectives, and other parameters that the practice has embraced and for which it has agreed to be accountable both qualitatively and economically.

PCPCC Payment Model

May 2007

*Key physician and practice
accountabilities/ value added
services and tools*



¹¹ Patient Centered Primary Care Collaborative; PCPCC PowerPoint 040110; http://www.pcpcc.net/files/pcpcc_4_1_2010.pptx