

## The Value of Managed Care Pharmacy in an IPA Setting

**PROFILE:** Jacqueline Hunt, Pharm.D., BCPS.

**TITLE:** Director of Pharmacy, Providence Medical Group, Portland, Oregon.

**EDUCATION:** Oregon State University (Bachelor's in Pharmacy, 1993); University of Texas (Doctor of Pharmacy, 1995); pharmacy practice residency, Veterans Affairs Medical Center, San Antonio, Texas

**PRACTICE SITE:** Seventy-five-member physician medical group affiliated with an independent practice association (IPA); nine primary care clinics.

### MANAGED CARE

**RELEVANCE:** The Providence Medical Group is part of an independent practice association (IPA), a type of integrated health system that contracts with physicians in private practice. According to *Managed Care Digest*, IPAs were the most numerous form of health maintenance organizations (HMOs) in 1999, with more than 50% of the total enrollment of the 25 largest HMO plans. IPAs employ pharmacists to help manage the prescription benefit—particularly if they are at risk—and to help with direct patient care, mostly through clinics focusing on chronic diseases and medication use review.

Dr. Hunt received a special award honoring her work at the American Society of Health-Systems Pharmacy (ASHP) 2001 Midyear Clinical Meeting, New Orleans.

Jacquelyn Hunt is articulate, concise, and direct. She leaves the impression of a woman with an agenda, a pharmacist with a plan. She is, in fact, pharmacy's potential personified: a clinician and manager who coordinates pharmaceutical care for patients in nine primary care clinics in Oregon. She directs the delivery of that care efficiently, enthusiastically, and appropriately in a managed care setting not commonly known for employing pharmacists.

Dr. Hunt has worked in this role—one that defines an important growth area of pharmacy practice—since 1997. What began as a pilot project has evolved into an established and respected position. The pilot project began when members of the inpatient staff and an affiliated medical group of Providence Health Systems (an integrated health care system that provides preventive care, outpatient services, acute care, assisted living, long-term care, mental health treatment, home care and hospice) set up a one-year experimental program. Their goal was to determine the extent to which the value of a pharmacist working in a medical group could be captured and demonstrated in primary care clinics where most prescriptions are written and dispensed.

In 1997, Dr. Hunt had just completed a residency program in San Antonio in 1997 in a large Veterans' Administration health system where pharmacists had broad prescribing privileges. Her two-plus years of experience with direct care and close physician consultation made her an attractive candidate to the pilot's planners, and so she was hired.

It wasn't a very glamorous start. Within a few days of being on the job, she was assigned a desk in a basement-level hallway at the hospital. No walls, no phone, no neighboring cubbies. Each day, she'd grab her laptop computer and head out to one of four clinics to see patients. There, she encountered some significant challenges. Many of Providence Medical Group's physicians had never worked with a Pharm.D.,

even during their training. The far-flung clinical sites also required a lot of travel time. She needed to structure the program, and identify the performance measures she'd eventually use to demonstrate value. Her role was new and unfamiliar, not only to her, but also to other members of the Providence Medical Group.

She began by defining her role in a nonthreatening and supportive manner. She established a drug information e-publication, distributing it to physicians. She educated physicians about her training and abilities. She began pinpointing areas where she could be helpful. Throughout, she continued her work in the primary care clinics.

Looking back, she recalls that she was surprised by what she didn't know. "All of my training left me well-educated clinically and technically," she says, "but woefully unaware of the effect of shifting health care dynamics on a primary care pharmacy practice. The skill set required to manage these dynamics include finance, leadership, administration, and marketing, in addition to clinical competence." She started by learning how all the elements of the health care system work together. Now, she is able to explain clearly and with confidence where her position is located in the larger health care scheme. "We work in a community-based primary care medical group, and 50% of our patients are members of a health maintenance organization. The medical group is hospital-affiliated and part of an IPA," she explains.

The pilot project demonstrated \$120,000 of savings in its first year. Due to the short duration of the project, long-term outcomes couldn't be measured, but some short-term markers did demonstrate improvement. Dr. Hunt showed that her direct interventions influenced members' glycemic, blood pressure, and cholesterol control. Every one of the approximately 75 physicians in the group had referred at least one patient to Dr. Hunt, and most referred patients regularly.

More good news followed. Providence Medical Group hired Dr. Hunt to continue and expand her work at the end of the pilot. As the Director of Pharmacy, Dr. Hunt hired three clinical pharmacists to expand clinical services to nine clinics one day each week. Her team continued to educate physicians and created a pharmaceutical management committee (PMC) that included administrative and clinical physicians. Together, they look for ways to continue improving their system. Pharmacy is now involved in the group's quality improvement council and electronic medical record decisions. Symbolic of the integration of pharmacy was the medical group's request to move the pharmacy office into the administrative offices to facilitate collaboration with the other departments.

One project started by the PMC has attracted media attention. The committee recognized that manufacturers' samples were a problem. The samples were stored haphazardly throughout the clinic in unauthorized storage areas. They often were kept beyond their expiration date and then became a disposal problem. The samples, the committee reasoned, were a biased collection of some of the most expensive medications on the market—a collection that was selected not by the PMC, but by the manufacturer. By using them without a plan, physicians were perhaps allowing the samples to drive prescribing costs upward.

In the plan implemented by the PMC, only samples of drugs on the selected list could be provided to patients, and in six of nine clinics, pharmacists added generic samples to study their effect on pharmacy costs. Further, they experimented with scheduling visits by pharmaceutical sales representatives to the clinics. The new policy was successful in reducing the number of medications stored, as well as smoothing the patient flow in the clinics.

When the *Business Journal of Portland* became aware of the PMC samples project, it decided to publish an article about it. Dr. Hunt was worried that the new policy might receive a negative review in

that samples are often viewed as free medication and are generally welcomed by patients, but the article presented the project in an unbiased and ultimately favorable light by focusing on identifying the benefactors of improved pharmacy costs. It noted that patients, insurers, and sometimes health care providers all share the cost of prescription medications. Interventions that reduce costs without sacrificing quality of care are of value to all involved.

A 1999 quote from Chief Medical Officer Kevin Keck, M.D., demonstrates how much headway pharmacy has made at Providence: "We want our pharmacists to be the primary educators of physicians. They have created a list of samples that we feel are in the best practices."

Recognizing that reimbursement for pharmaceutical care is scarce, Providence's pharmacy resources are focused on cases where care is capitated. The improved patient outcomes and reduced cost help to fund the program.

Providence Medical Group has looked for additional ways to prove its value, and recently turned to research. It has been conducting research for its own and other medical groups. A new research department is being established; one study underway examines differences in outcomes between patients who have hypertension and see a pharmacist clinically, and those who don't.

Dr. Hunt recognizes the professional obligation to teach new pharmacists, and hosts students from Oregon State University and Providence Health Systems who are in rotations preparing for their Pharm.D. or are pharmacy residents. She says students sometimes are not prepared for a practice where many cases are complicated by multiple drugs and diseases, and only about 20 minutes are available for each visit. For this reason, she and her colleagues prefer to act as preceptors for students who have some experience.

Dr. Hunt likes the ability to intervene and create solutions for individual patients, as well as populations of patients. She likes the hustle and camaraderie of

working for a community-based, primary-care medical group. She has established a position of influence and has goals for the future. She identifies her greatest concern as "uncertainty," and elaborates by saying that change jeopardizes programs like hers in health care. "Change in health care reimbursement can complicate funding of innovative programs like ours." She and her colleagues are working hard to maintain the roles they have established, and to promote their value.

In the future, Dr. Hunt would like to make her practice more friendly to pharmacy students who are in the earlier stages of their training. She'd also like to provide comprehensive training to pharmacists who have clinical training and would like to start a program similar to her medical group's. Exposure should encourage others to expand their practice. She describes this dream as the opportunity to give others a head start so they don't have to learn lessons related to policy, planning and liability the hard way. "Many pharmacists are participating in innovative programs, and we need to learn more from each other." ■

Reader are invited to submit ideas and articles to Spotlight. Contact Katherine K. Knapp, Ph.D., Professor and Director of the Center for Pharmacy Practice Research & Development, College of Pharmacy Western University of Health Sciences, 309 E. Second Street Pomona, CA 91766-1854; Tel: 909-469-5588; Fax: 909-469-5539; E-mail: kknapp@westernu.edu