



# Community Pharmacists in Value-based Care Models

WILLIAM R. DOUCETTE

VEALE PROFESSOR OF HEALTHCARE POLICY

UNIVERSITY OF IOWA



# Objectives

- Describe key components of value-based care models related to community pharmacies
- Illustrate value-based care models in Iowa community pharmacies
- Discuss lessons learned about the use of value-based care models for community pharmacies

# Background

- Efforts to improve patient outcomes and care experiences
- Try to limit healthcare spending
- Value-based care models developed to achieve these three aims
- Pharmacies seeking revenue streams in face of losses from dispensing due to unregulated PBMs

# Value-Based Care Models

- Typically combine a focus on provider performance, patient experiences and costs of care
- Payments tied to performance on a set of metrics (e.g. 90-day fill rate, adherence, E.D. visits, statin intensity, comprehensive medication review rate)
- Being used by government payers (e.g. Medicaid, Medicare) and commercial payers

# Components of Value-Based Care Models

- Attribution
- Performance measures
- Incentives
- Patient care service

# Attribution in Pharmacy VBC Models

- Attribution (assignment) of patients to a specific pharmacy for the program (performance calculations)
  - Can be done prospectively or retrospectively
- Most often based on prescription volume (e.g. attributed to pharmacy that dispenses the most medications)
- Is a challenge to separate the effects of multiple providers on a metric (e.g. prescriber vs. pharmacist in lowering hospital admissions)



# Performance Measures in Pharmacy VBC Models

- Typically determine payment amount
- Often use metrics developed for something/someone other than pharmacy (e.g. HEDIS measures for medical providers; Medicare Part D star measures for Part D plans)
- Many metrics assess process rather than outcomes
- Does proportion of days covered (PDC) really assess medication adherence?

# Incentives in Pharmacy VBC Models

- Lack of transparency in incentives can create uncertainty for pharmacies
- Often incentives are tied to changes in dispensing payments instead of being separate payments
- Incentives may create conflict between high performance and best care for a patient (e.g. 90-day fill incentive for patients who would benefit from seeing a pharmacist every 30 days)



# Patient Care Services in Pharmacy VBC Models

- Intended to improve patient outcomes
  - Comprehensive medication management, Medication adherence services, Care coordination, Pharmacy monitoring services, Social determinants of health identification & referral, Point-of-care testing
- Expect to see movement to use more metrics related to medication use and less about dispensing

# Knowledge Check ✓

**Which of the following is true about the components of value-based care models for pharmacies?**

- A) Patient attributions often are based on prescriptions dispensed by a pharmacy
- B) Lack of transparency for incentives is common
- C) Metrics tend to be measures of processes
- D) All of the above

# Evaluation of Wellmark Value-Based Pharmacy Program in Iowa

- Wellmark is the Blue Cross Blue Shield organization in Iowa
- Conducted a 3-year pilot of a Value-Based Pharmacy Program (VBPP)
- VBPP developed through dialogue between Wellmark and Iowa pharmacy leaders
- Operation of VBPP involved 73 pharmacies and about 41,000 attributed patients
- VBPP was implemented and evaluated before the COVID-19 pandemic

# Evaluation Activities for Value-Based Pharmacy Program

- Evaluation of the VBPP was a collaboration between an insurer, Iowa Pharmacy Association, Drake University and University of Iowa
  - Funded by Community Pharmacy Foundation
- Relied on involvement by Iowa pharmacies participating in VBPP
- Included data from pharmacist interviews and surveys and well as performance data from Wellmark

# Objectives of VBPP Evaluation

- 1. Describe a Value-Based Pharmacy Program (VBPP) implemented in Iowa
- 2. Discuss pharmacies' actions for patient care under the Value-Based Pharmacy Program
- 3. Describe changes seen in selected condition-specific metrics for the Value-Based Pharmacy Program
- 4. Assess financial outcomes of the Value-Based Pharmacy Program



# PHARMACY SELECTION CRITERIA





## Pharmacy Requirements

- Developed a service plan based on community-specific needs
- Offers  $\geq 2$  clinical services
- Provides adequate space for private or semi-private consultations
- Documents services delivered and communicates to patients' providers
- Established formal immunization protocol or collaborative practice agreement(s)
- Pharmacists trained for service delivery and documentation





# VALUE BASED METRICS

	Diabetes	Depression	Cardiovascular Risk	Asthma
Metric Type	Metrics			
Process	Right drug <b>AND</b> Adherence 			
Surrogate Outcome	Glycemic control (A1c <7.5%) Blood pressure control (<140/90)	Remission (PHQ-9<5)		
Outcomes	Potentially Preventable Emergency Department Visits Potentially Preventable Admissions  Total Cost of Care			

# VBPP METRIC EXAMPLES

Domain	Metric	Performance Calculation	Points
<b>Chronic Disease Management</b> 42 Points  Asthma: 8 points Diabetes: 14 points Cardiovascular: 10 points Depression: 10 points	Asthma Controller Medication Adherence	Percentage of Attributed Members with persistent asthma with asthma controller medication adherence $\geq 75\%$	2
	Asthma Medication Ratio	Percentage of Attributed Members with persistent asthma with a ratio of controller to acute medications dispensed $> 0.5$	6
	ACEi/ARB Medication Adherence	Percentage of Attributed Members with diabetes with an ACEi/ARB adherence $\geq 80\%$	2
	Non-insulin Diabetes Medication Adherence	Percentage of Attributed Members with diabetes with non-insulin diabetes medication adherence $\geq 80\%$	2
	Diabetic A1c Documented*	Percentage of Attributed Members with diabetes with an A1c reported in Performance Year	3
<b>Potentially Preventable ED Visits</b> 10 Points	Potentially Preventable Emergency Department Visits Variance	Difference between Wellmark Pharmacy Network PPV Rate and Risk-Adjusted Actual PPV Rate	10
<b>Potentially Preventable Admissions</b> 10 Points	Potentially Preventable Admissions Variance	Difference between Wellmark Pharmacy Network PPA Rate and Risk-Adjusted Actual PPA Rate	10
<b>Total Cost of Care</b> 38 Points	Total Cost of Care PMPM Variance	Difference between Wellmark Pharmacy Network TCC PMPM and Risk-Adjusted Actual PMPM	38

# Methods of Evaluation of Wellmark VBPP

- Pharmacy key informant interview N = 11 pharmacies
- Mail survey of pharmacies N = 53 pharmacies
- Analyses of pharmacy performance data N = 73 pharmacies

# Common Actions (interview)

- Actions involving medication adherence were common
- Utilizing patient information through the VBPP dashboard was helpful, but could be used more
- Collecting lab/clinical data to monitor a patient's progress on a medication therapy was being done more often
- Documenting interventions for the target patients was common, though documentation approach is varied – Multiple platforms



# Uncommon Actions (interview)

- Coaching patients on appropriate use of the emergency department (ED) – Used written materials with oral advice
- Obtaining a link to hospital EHRs to monitor for patient discharge for timely medication reconciliation by the community pharmacist
- Sorting patients for different intensities of services – Sorting/targeting is becoming more common
- Creating time to deliver enhanced services by freeing up pharmacists from distributional tasks or having pharmacist staffing overlap

# Selected Care Related Activities (survey)

Measure	Mean	SD	Median
Monitor medication adherence for insurer's patients and intervene if non-adherent	4.02	0.80	4
Obtain insurer's patient lab data directly from providers	3.91	0.84	4
Educate insurer's patients about non-ER options for emergent health issues	3.04	1.14	3
Utilize electronic medical records in managing insurer's patients	2.64	1.24	3

Scale: 1=Never, 2=Rarely, 3=Sometimes, 4=Often, 5=Always

# Approach to Providing Enhanced Pharmacy Services (survey)

Measure	Mean	SD	Median
Adherence	1.98	0.97	2
Diabetes	2.04	0.83	2
Cardiovascular	2.36	0.81	2
Overall VBPP (composite)	2.51	0.70	2
Asthma	2.79	1.10	3
Total Costs	3.23	1.05	3
Depression	3.60	1.10	4

Scale: 1 – Very High Priority      2 – High Priority      3 – Medium Priority  
4 – Low Priority      5 – Very Low Priority

# Challenges (survey)

Measure	% Reporting
Lack of Time/Staffing/Workflow/Task prioritization/Staff resistance	73.6
Access to Patient Data/Depression Diagnosis Access/Data issues due to lack of Interoperability	39.6
Provider Resistance	24.5
Patients' resistance to change/adherence	18.9
Lack of improvement after interventions/ No alternative to Emergency Department visit	13.2

# Knowledge Check ✓

**Which of the following is true about pharmacies implementing Wellmark's Value-Based Pharmacy Program?**

- A) Actions involving medication adherence were common
- B) Sorting patients for different service intensities was uncommon
- C) Staffing and workflow were frequent challenges
- D) All of the above



# Condition Specific Metrics (performance data)

	Blood Pressure		Diabetes	
VBPP Pharmacy	BP Documented	BP at Goal (140/90)	A1c Documented	A1c at Goal (7.5%)
Year 1	68.5	58.8	65.8	46.4
Year 2	70.3	62.4	69.1	51.5
Percentage Point Difference	1.8	3.6	3.3	5.1

HealthyPeople 2020: 56.3% PWD at BP goal and 50.6% have A1c  $\leq$  7.0%

# Isolating attributed pharmacy effect

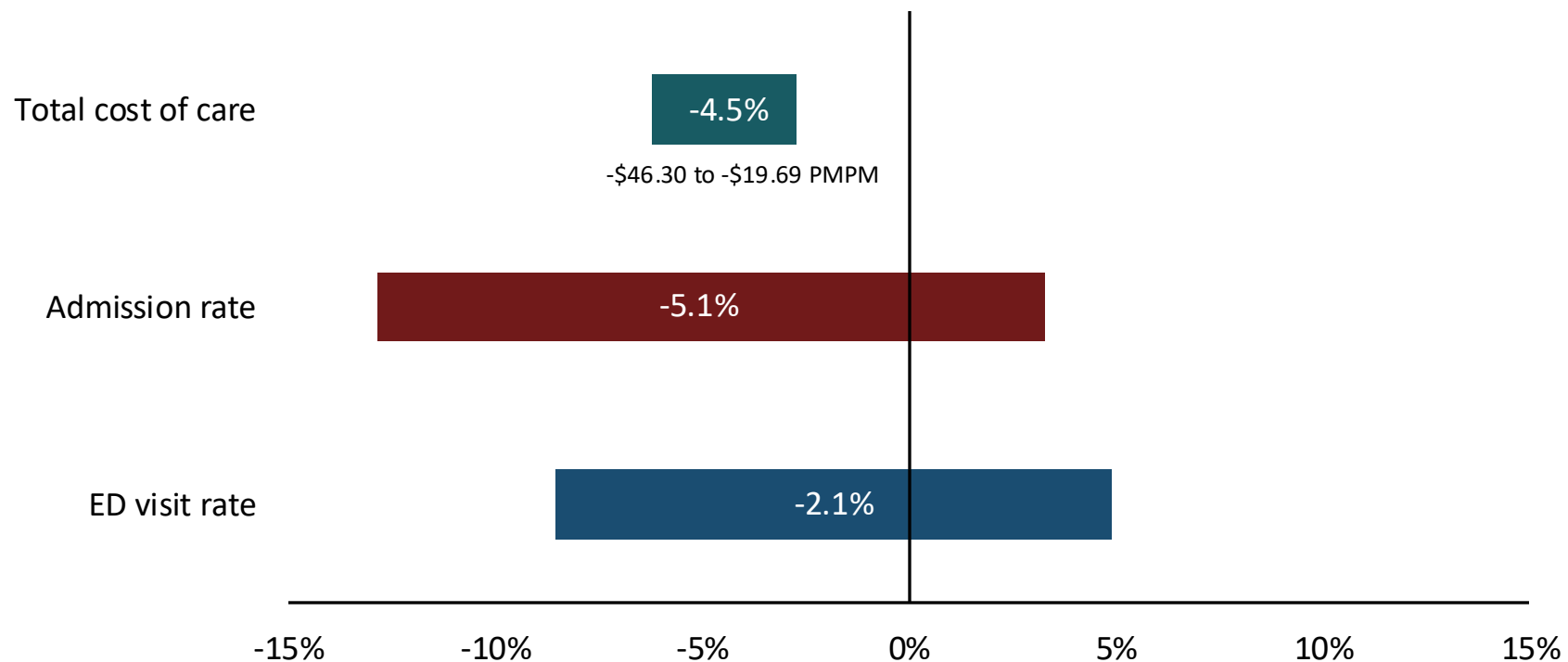
- Generalized linear models compared outcomes for patients in VBPP vs. not

Inclusion Requirements
$\geq 1$ Chronic condition
Continuous membership
Continuous attribution

Control Variables
ACO attribution
CRG risk adjustment
3M health status
Geography
HMO/PPO

# Evidence of reduced cost in 1<sup>st</sup> full calendar year

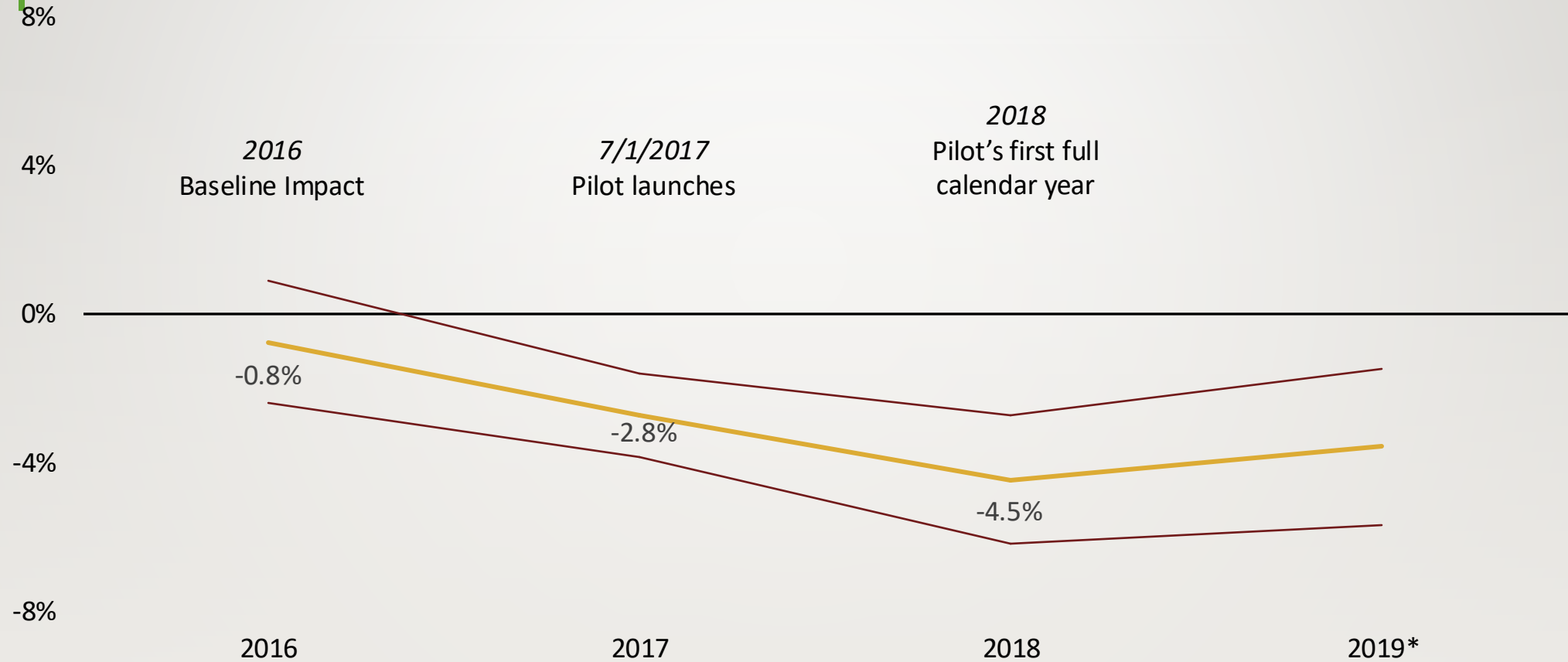
## Participating Pharmacy Impact



-\$46.30 to -\$19.69 PMPM

Mean PMPM  
Difference =  
\$30.48

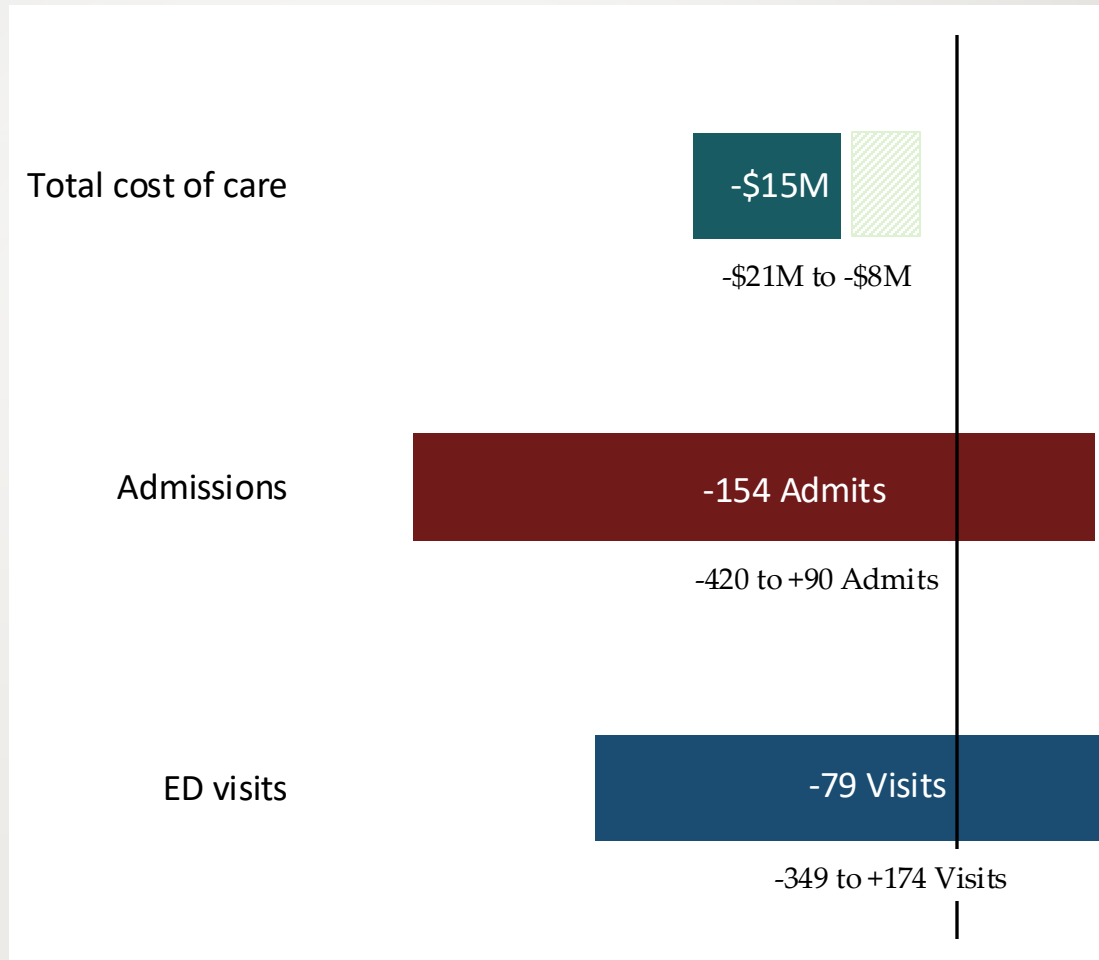
# Longitudinal Cost of Care Impact



\*Results through June 2019

# Impact on 41K chronic members was substantial

- **9x ROI**
  - 3.7x – 16x ROI
- **Strong evidence**
  - ↓TCC
- **Lukewarm Evidence**
  - ↓ Inpatient Admits
  - ↓ ER Visits





# Recap and Recommendation

- Members using participating pharmacy had 4.5% lower costs of care
- Results robust among various model inputs and organizations
- ROI was sufficient to support enhancement and expansion of program

# Knowledge Check ✓

**Which of the following is true about financial outcomes of the pilot of Wellmark's Value-Based Pharmacy Program?**

- A) There was a significant reduction in hospital admissions
- B) There were significant savings in total cost of care
- C) Low ROI (2X) limits the future of the VBPP
- D) All of the above

# Description of Pharmacist Care Pilot Program

- Focused on high-risk Medicaid beneficiaries identified by the plan
  - Taking medications for behavioral health, asthma, COPD, opioids
- Pharmacist provided initial consultation/medication review with monthly follow-up visits
- Pharmacist care was intended to support whole patient management – Medication management, health & wellness coaching, health screenings and navigation & provider engagement

# Evaluation of Pilot Medicaid Plan in Iowa

- CPESN Iowa member pharmacies (N=18) provided care to beneficiaries of Wellpoint Medicaid Program – via Elevance (PBM)
- Pilot program ran for 24 months – Evaluation of 2<sup>nd</sup> year
- Retrospective claims analyses used propensity score matching to compare changes from baseline for “engaged patients” with “non-participant members” – 848 people in each group
- Matched on: age, gender, risk score, 17 most frequent/costly chronic conditions and baseline medical costs

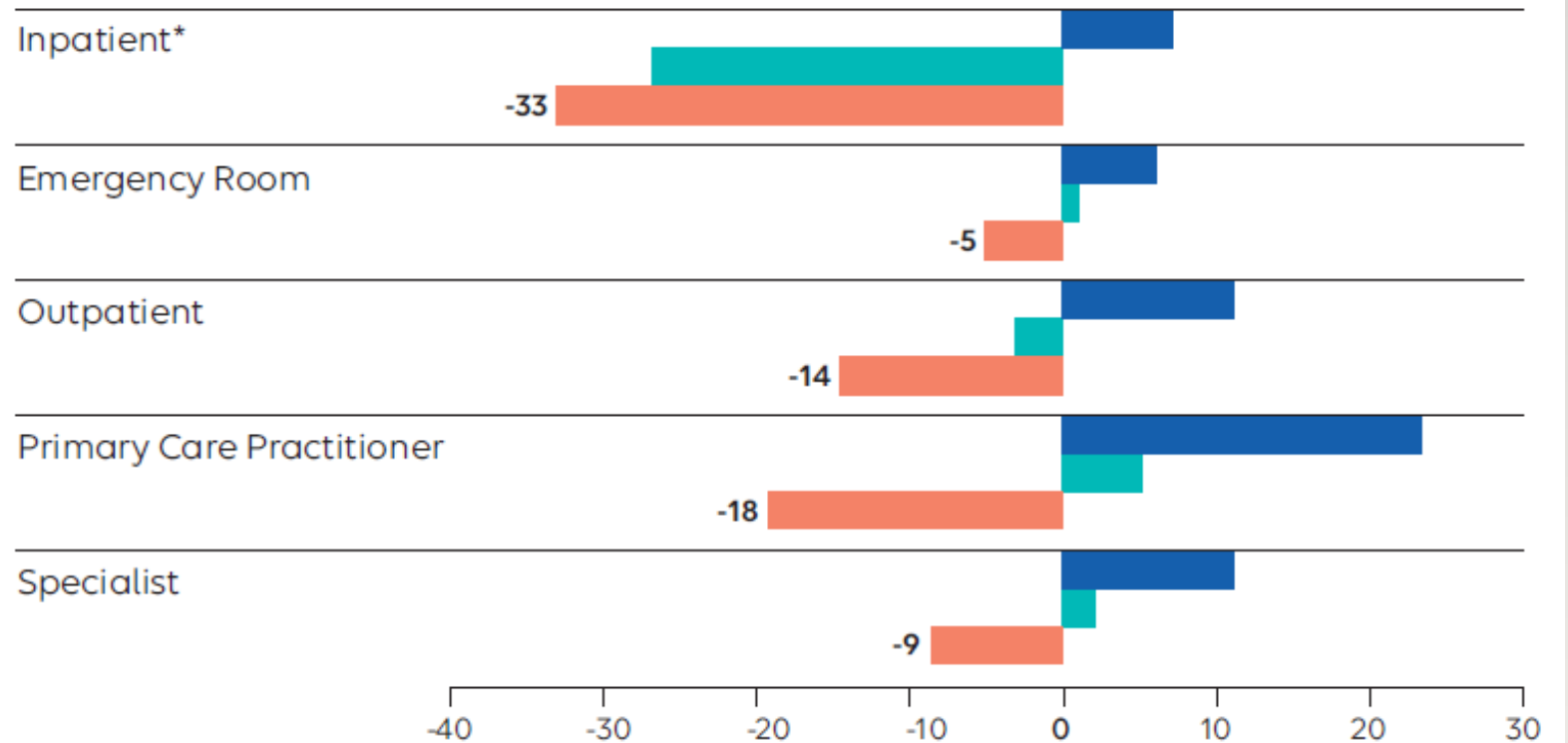
# Comparison of Care Utilization

**Figure 2**

**Percentage Point Change  
in Medical Utilization,  
Engaged vs. Nonparticipant  
Members, for Any Chronic Condition**

Number of visits per thousand  
members per year

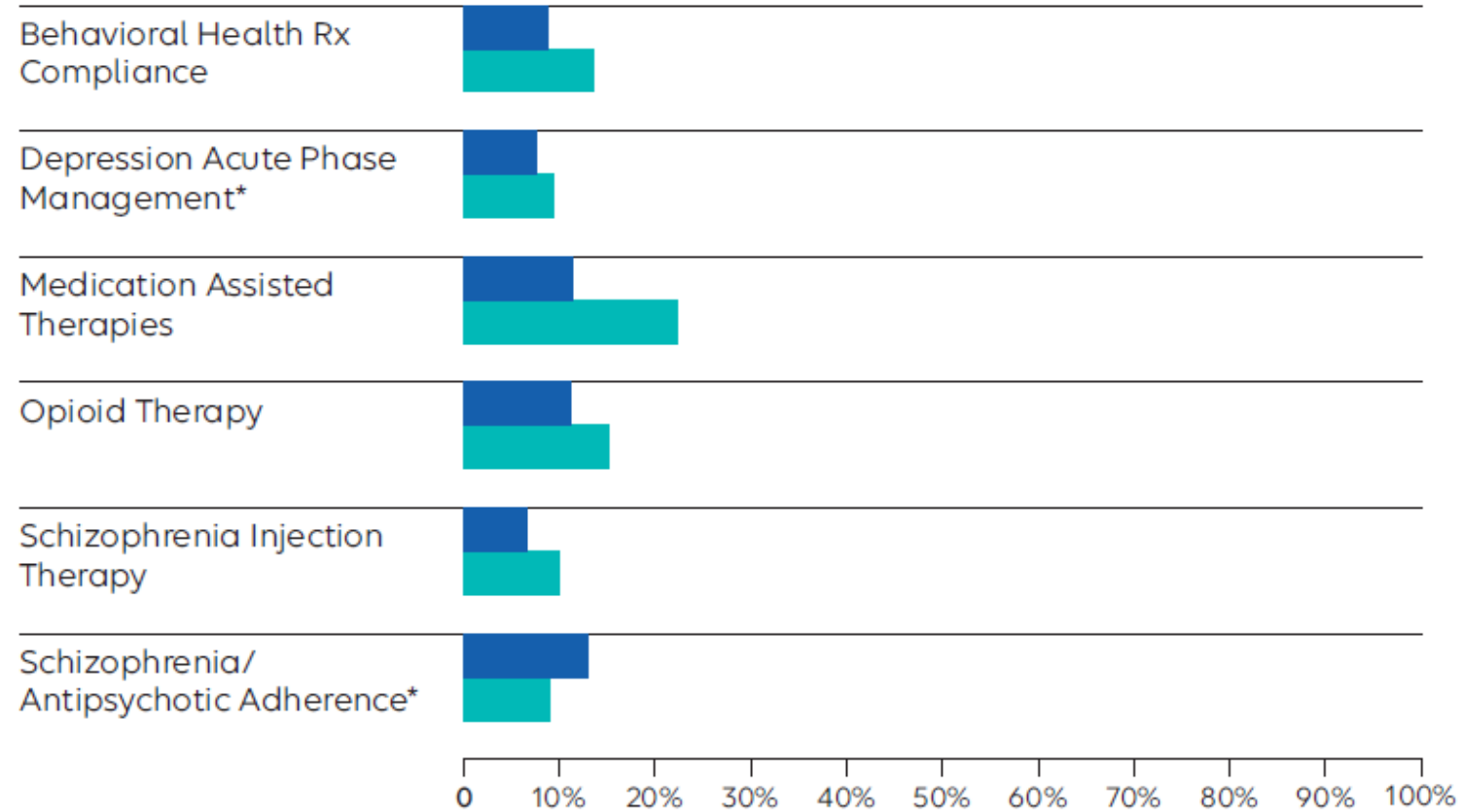
- Pre/Post Difference  
Nonparticipant Members
- Pre/Post Difference  
Engaged Members
- Difference-in-Difference



\* = Denotes statistical significance at <.001



# Comparison of HEDIS Measures



**Note.** Although the gap closure trends appear favorable, the small sample size for many measures made it impossible to determine statistical significance.

\* = Denotes HEDIS metric.

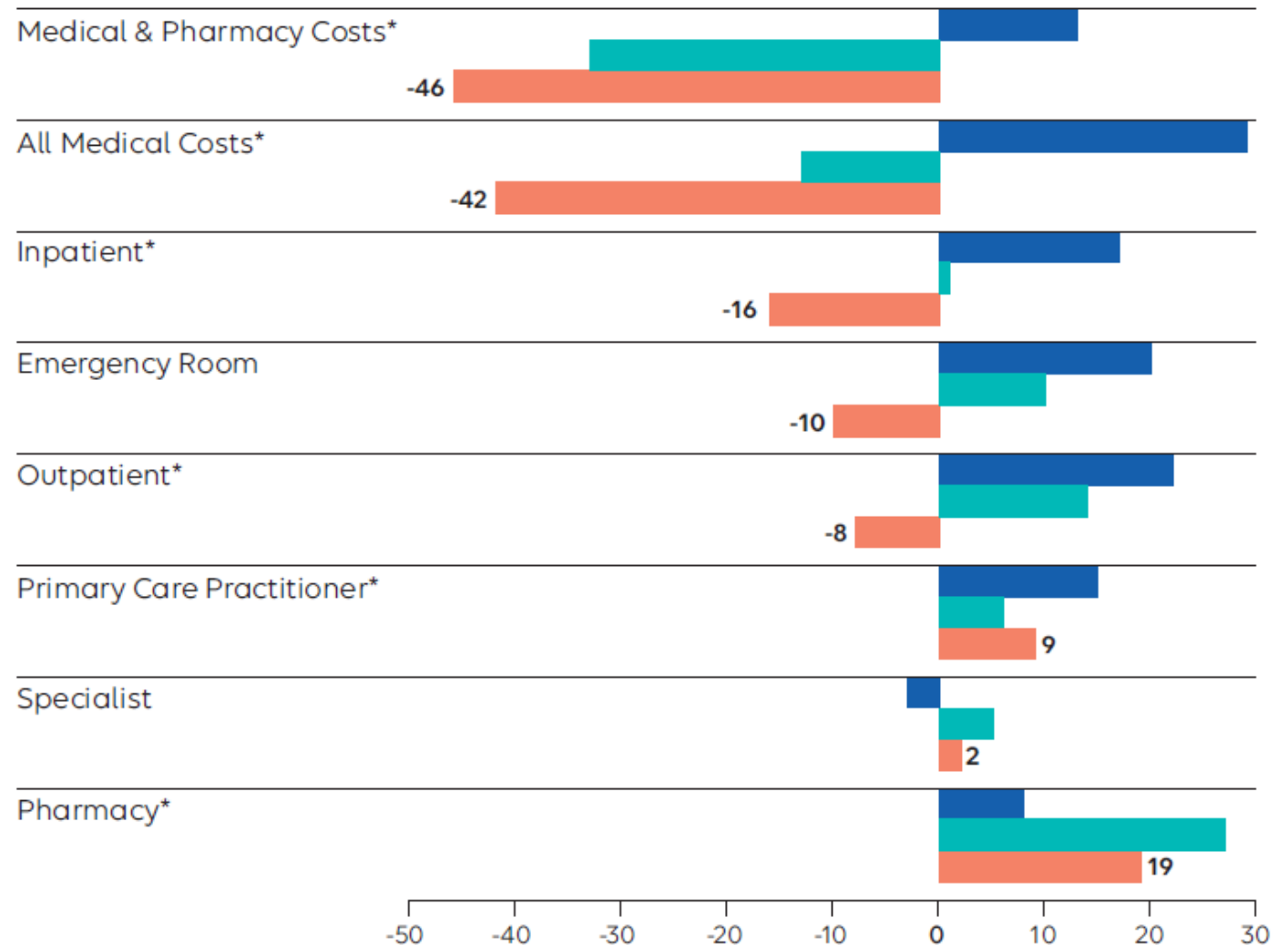
# Comparison of Costs

Figure 4

**Percentage Point Change  
in Medical Costs,  
Engaged vs. Nonparticipant  
Members, for Any Chronic Condition**

Costs per member per month

- Pre/Post Difference  
Nonparticipant Members
- Pre/Post Difference  
Engaged Members
- Difference-in-Difference



\*= Denotes statistical significance at <.001

# Knowledge Check ✓

**Which of the following is true about the evaluation of the Iowa Medicaid pharmacy program?**

- A) There were significantly lower inpatient costs
- B) There were significant savings in pharmacy costs
- C) Low ROI (2X) limits the future of the program
- D) All of the above

# Lessons Learned from Evaluations of VBC Models

- Community pharmacists can improve patient outcomes, medical costs and total costs of care when paid to deliver enhanced services
- Challenges exist in transforming practices to consistently provide quality care
  - Sustainable workflow changes should support services
  - Efficiency in IT is lacking – multiple platforms, no EHR access, care documentation limited
  - All staff members should be engaged in operating new care activities

# Lessons Learned from Evaluations of VBC Models

- Some providers are reluctant to work with new pharmacist roles
- Tracking & feedback of performance can support engagement of pharmacy staff
- Patients may resist pharmacists in new roles
- We are still learning which pharmacy care activities best improve patient outcomes and costs
- Payments separate from dispensing have been successful



# Conclusions

- Value-based care models are a dynamic part of community pharmacy practice
- Expect continued growth in use and evaluation of pharmacy VBC models
- Future research can help us learn more about what pharmacy practice changes can support successful care delivery under VBC models

# Questions and Discussion



# References

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