

American Pharmacists AssociationHouse of Delegates – National Harbor, Maryland

To be completed by the Office of the Secretary of the House of Delegates

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NEW BUSINESS

	(To be submitted and introduced by Delegates only)
Introduced by: _	Sarah Ray
,	(Name)
<u>1/21/2020</u>	APhA Academy of Pharmacy Practice and Management APhA-APPM)
(Date)	(Organization)

Subject: Coordination of the Pharmacy and Medical Benefit

Motion: To adopt the following new policy statement:

APhA supports coordination of patients' comprehensive pharmacy and medical benefits that allows for provision of and compensation for pharmacists' patient care services; aligns incentives to optimize patient outcomes; streamlines administrative processes; reduces overall healthcare costs and preserves patients' right to choose providers for the pharmacy and medical benefits.

Background:

The 2018-2019 Policy Committee, in deliberating the topic of Consolidation in Healthcare in October 2018, felt the issue of integration and coordination of the pharmacy and medical benefit was a topic that was beyond the scope of the issues the Committee was charged with. The Committee determined that existing policy does not address this issue, and thus it represents a policy "gap" in an important area. The Committee felt this issue was contemporary and needed to be addressed if pharmacists are to be optimally integrated within value-based models, yet just beyond the scope of the charge of the committee on the topic of mergers and acquisitions in healthcare.

The APhA Board of Trustees reviewed this topic and added it to the 2019 Joint Policy Standing Committee's suggested topics for further policy development. While the 2019 Joint Policy Standing committee was extremely supportive of the need for policy, it was not selected as a final topic assigned to the 2019-2020 Policy Committee. APhA-APPM found this topic important and is introducing the NBI.

The proposed policy aims to support efforts to alleviate the increasing cost of healthcare for patients due to a fragmented health system. Studies have shown that aligning pharmacy and medical benefits can allow integrated health systems a chance to optimize patient care based on patients' unique circumstances, subsequently reducing healthcare-related costs⁴. This policy would endorse the advent of, and compensation for, pharmacists' patient care services in order to increase patients' access to healthcare while reducing cost and allowing them the freedom to select the appropriate providers and pharmacies that best fit their needs.

A recent study by Cigna showed that cohesive pharmacy and medical benefits created a 12% increase in the number of members participating in health coaching and case management programs². This study serves as an example of how comprehensive medical and pharmacy benefits can align organizations' incentives to optimize patient outcomes while increasing patients' access to care. The committee advocates for policy specifically aimed at the topic of integration and coordination of the pharmacy and medical benefit to ensure pharmacists' positions within value-based models.

- 1. Branning G. New Rivals: Integrating Health Benefits to Provide Comprehensive Patient Care. *American Health & Drug Benefits*. 2018;11(2):83-85. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5973245/. Accessed January 27, 2020.
- Cigna Customers with Connected Pharmacy and Medical Benefits Are More Active in Improving Their Health, Leading to Lower Medical Costs. Cigna Customers with Connected Pharmacy and Medical Benefits Are More Active in Improving Their Health, Leading to Lower Medical Costs | Business Wire. https://www.businesswire.com/news/home/20171120005579/en/Cigna-Customers-Connected-Pharmacy-Medical-Benefits-Active. Published November 20, 2017. Accessed January 27, 2020.
- 3. HealthPartners Pharmacy Integration Study Demonstrating the value of medical and pharmacy benefit integration. https://www.cigna.com/assets/docs/newsroom/450283-pharmstudy-br3-final.pdf. Accessed January 27, 2020.
- 4. HealthPayerIntelligence. Integrated Medical, Pharmacy Benefits Help Costs, Member Engagement. HealthPayerIntelligence. https://healthpayerintelligence.com/news/integrated-medical-pharmacy-benefits-help-costs-member-engagement. Published November 21, 2017. Accessed January 27, 2020.

Current APhA Policy & Bylaws:

2017 Pharmacists' Role Within Value-based Payment Models

- 1. APhA supports value-based payment models that include pharmacists as essential health care team members and that promote coordinated care, improved health outcomes, and lower total costs of health care.
- 2. APhA encourages the development and implementation of meaningful, consistent process-based and outcomes-based quality measures that allow attribution of pharmacist impact within value-based payment models.
- 3. APhA advocates for mechanisms that recognize and compensate pharmacists for their contributions toward meeting goals of quality and total costs of care in value-based payment models, separate and distinct from the full product and dispensing cost reimbursement.
- 4. APhA advocates that pharmacists must have real-time access to and exchange of electronic health record data within value-based payment models in order to achieve optimal health and medication-related outcomes.
- 5. APhA supports education, training, and resources that help pharmacists transform and integrate their practices with value-based payment models and programs.

2019 Consolidation within Health Care

- 1. APhA advocates that health care mergers and acquisitions must preserve the pharmacist–patient relationship.
- 2. APhA supports optimizing the role of pharmacists in the provision of team-based care following health care mergers and acquisitions in order to: Enhance patient experience and safety, Improve population health, Reduce health care costs, and Improve the work life of health care providers.
- 3. APhA asserts that the scope of review by federal agencies must have a focus on the impact of health care mergers and acquisitions on patient access and the provision of care to ensure optimal patient outcomes. Therefore, APhA calls for: Reform of the pre–health care mergers and acquisitions process; Implementation of an ongoing post–health care mergers and acquisitions evaluation process to preserve patient choice and access to established patient–pharmacist relationships; and Continuous transparent dialogue among stakeholders throughout the process.
- 4. APhA calls for the Federal Trade Commission (FTC) to develop a task force to monitor health care mergers and acquisitions activity.

2016, 1994 Pharmacy Services Benefits in Health Care Reform

APhA supports reform of the U.S. health care system and believes that any reform at the state or national level must provide for the following

- 1. Universal coverage for pharmacy service benefits that include both medications and pharmacists' services;
- 2. Specific provisions for the access to and payment for pharmacists' patient care services.
- 3. A single set of pricing rules, eliminating class-of-trade distinctions, for medications, medication delivery systems, and other equipment so that no payer, patient, or provider is disadvantaged by cost shifting;
- 4. The right for every American to choose his/her own provider of medications and pharmacists' services and for all pharmacists to participate in the health plans of their choice under equally applied terms and conditions;
- 5. Quality assurance mechanisms to improve and substantiate the effectiveness of medications and health services;
- 6. Information and administrative systems designed to enhance patient care, eliminate needless bureaucracy, and provide patients and providers price and quality information needed to make informed patient-care decisions;
- 7. Relief from antitrust laws and regulations to enable pharmacists to establish systems that balance provider needs relative to corporate and governmental interests;
- 8. Reform in the professional liability system, including caps on non-economic damages, attorneys' fees, and other measures;
- 9. Representation on the controlling board of each plan by an active health care practitioner from each discipline within the scope of the plan; and
- 10. Recognition of the pharmacist's role in delivering primary health care services.

2011 Pharmacist's Role in Health Care Reform

- 1. APhA affirms that pharmacists are the medication experts whose accessibility uniquely positions them to increase access to and improve quality of health care while decreasing overall costs.
- 2. APhA asserts that pharmacists must be recognized as the essential and accountable patient care provider on the health care team responsible for optimizing outcomes through medication therapy management (MTM).
- 3. APhA asserts the following: (a) Medication Therapy Management Services: Definition and Program Criteria is the standard definition of MTM that must be recognized by all stakeholders. (b) Medication Therapy Management in Pharmacy Practice: Core Elements of an MTM Service Model, as adopted by the profession of pharmacy, shall serve as the foundational MTM service model.
- 4. APhA asserts that pharmacists must be included as essential patient care provider and compensated as such in every health care model, including but not limited to, the medical home and accountable care organizations.
- 5. APhA actively promotes the outcomes-based studies, pilot programs, demonstration projects, and other activities that document and reconfirm pharmacists' impact on patient health and well-being, process of care delivery, and overall health care costs.

(JAPhA NS51(4) 482; July/August 2011)(Reviewed 2016)

2013 Ensuring Access to Pharmacists' Services

- 1. Pharmacists are health care providers who must be recognized and compensated by payers for their professional services.
- 2. APhA actively supports the adoption of standardized processes for the provision, documentation, and claims submission of pharmacists' services.
- 3. APhA supports pharmacists' ability to bill payers and be compensated for their services consistent with the processes of other health care providers.
- 4. APhA supports recognition by payers that compensable pharmacist services range from generalized to focused activities intended to improve health outcomes based on individual patient needs.
- 5. APhA advocates for the development and implementation of a standardized process for verification of pharmacists' credentials as a means to foster compensation for pharmacist services and reduce administrative redundancy.
- 6. APhA advocates for pharmacists' access and contribution to clinical and claims data to support treatment, payment, and health care operations.
- 7. APhA actively supports the integration of pharmacists' service level and outcome data with other health care provider and claims data.

2008 Billing and Documentation of Medication Therapy Management (MTM) Services

- 1. APhA encourages the development and use of a system for billing of MTM services that: (a) includes a standardized data set for transmission of billing claims; (b) utilizes a standardized process that is consistent with claim billing by other healthcare providers; (c) utilizes a billing platform that is accepted by the Centers for Medicare and Medicaid Services (CMS) and is compliant with the Health Insurance Portability and Accountability Act (HIPAA)
- 2. APhA supports the pharmacist's or pharmacy's choice of a documentation system that allows for transmission of any MTM billing claim and interfaces with the billing platform used by the insurer or payer.
- 3. APhA encourages pharmacists to use the American Medical Association (AMA) Current Procedural Terminology (CPT) codes for billing of MTM services.
- 4. APhA supports efforts to further develop CPT codes for billing of pharmacists' services, through the work of the Pharmacist Services Technical Advisory Coalition (PSTAC).

(JAPhA NS48(4):471 July/August 2008) (Reviewed 2010) (Reviewed 2015)(Reviewed 2016)

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