

# Opportunities for Pharmacies in Accountable Care Organizations

NATIONAL ASSOCIATION OF CHAIN DRUG STORES

PHARMACY AND TECHNOLOGY CONFERENCE

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**Community Care of North Carolina**

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## What Is An Accountable Care Organization?

Fisher, McClellan et al. (Health Affairs-January 2009)

- Key elements:
  - Shared savings (and potentially risk)
    - ✦ Across health care settings (members of ACO)
    - ✦ Gain sharing from difference between projected cost and actual cost
  - Responsible for ALL costs
    - ✦ One reason why hospitals are almost always included (Cost Driver)
    - ✦ Primary care providers are likely to be target of ACO interventions (Cost Saver)
  - Locally organized, owned and operated

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## What Is An Accountable Care Organization?

Bertko (Academy Health-May 2009)

- Critical components to form an ACO (must haves)
  - Can manage continuum of care (physically and/or virtually)
  - Of sufficient scale so as to support comprehensive change (economy of scale)
  - Capable of prospective planning/budgeting
- Potential participants in an ACO
  - Hospitals, primary care, specialists, home health, mental health, rehab facilities
- Shortell and Casalino (JAMA-2008) (Accountable Care System)
  - More inclusive view of participants (ecological)

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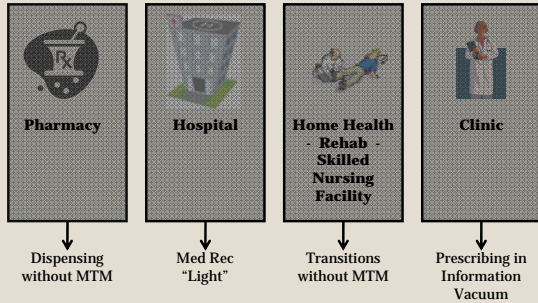
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### A "Discontiguous Set" of Care Delivery Settings




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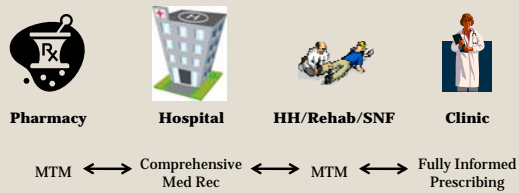
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### A "Contiguous Set" of Care Delivery Settings



**Goal: Coordinated, goal-oriented, re-enforced drug use plan**

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### Capable Providers in an Incapable System



**Inadequate, Misaligned or Non-Existent Payment Systems for Pharmaceutical Care**

**\*Also Incredibly Cost-inefficient in Today's HIT/HIE Environment\***

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## Aligned, Efficient, Incentive-Driven Model




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## Community Care of North Carolina

- Born out of the state office of “Rural Health and Demonstration Projects” under Health and Human Services
  - Functional for more than a decade, ever evolving
- Each of 14 “Networks” receives a PMPM for care coordination, management and quality improvement programs
- Each of 1,200+ member practices receives a PMPM to participate and collaborate with the local network
  - Represents >3,000+ primary care providers
    - ✦ ~90% of primary care in North Carolina

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## Community Care of North Carolina

- Transformation in previous 3 years with “Chronic Care” initiative
  - Emphasis on collaboration with other health care settings
 

<input type="checkbox"/> Hospitals	<input type="checkbox"/> Home Health
<input type="checkbox"/> Home Health	<input type="checkbox"/> Mental Health
<input type="checkbox"/> Specialists and Sub-Specialists	<input type="checkbox"/> Pharmacies
  - Priority given to patients in transition between settings
  - Strive to be the “interstitial space” of the health care system
- Next steps:
  - Health Information Technology
  - ACO-like gain-sharing projects

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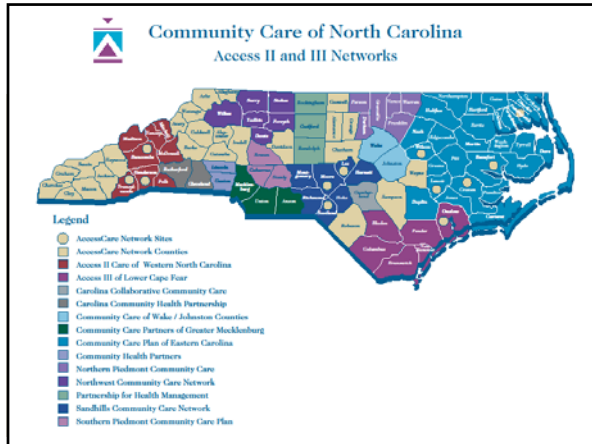
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## The Pharmacy Home Project

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Premise of the Initiative

“Create a Pharmacy Home, virtual or otherwise, where ***drug use*** information from multiple sources\* is gathered to better inform prescribing and intervention strategies”

\*(Medical Chart, Claims, Patient, Home Visit, Pharmacist and Case Manager)

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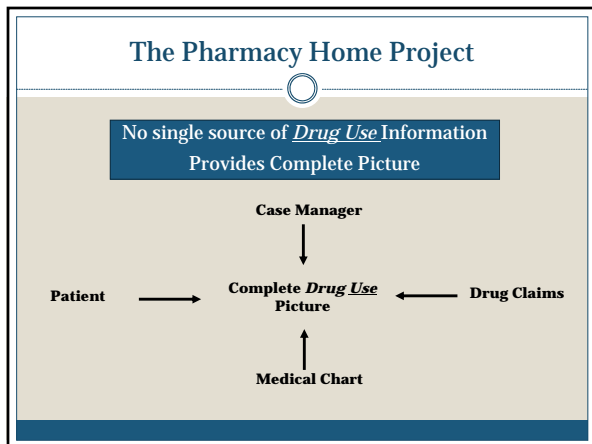
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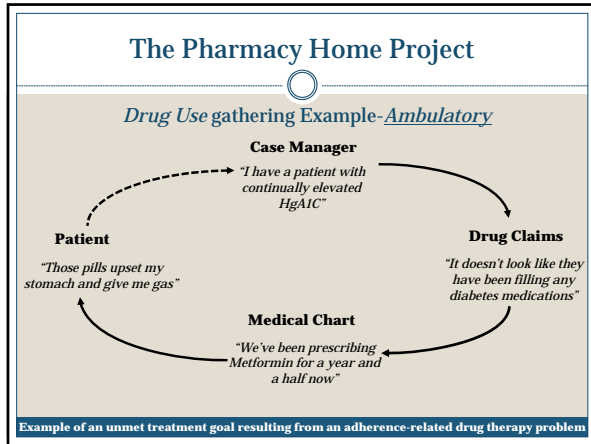
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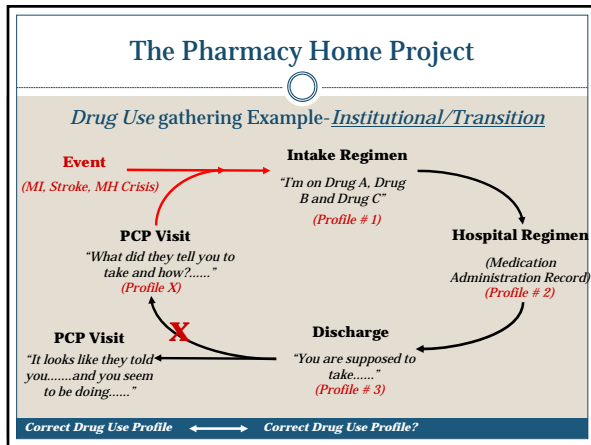
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### Medication Reconciliation PLUS

The process of gathering, organizing and sharing with **community-based providers** drug use information **from multiple sources** (including the patient, medical chart, prescription fill history, and discharge instructions) in order to identify and resolve urgent/emergent duplications, interactions, possible adverse events, poor adherence or other suboptimal drug-taking behavior(s).

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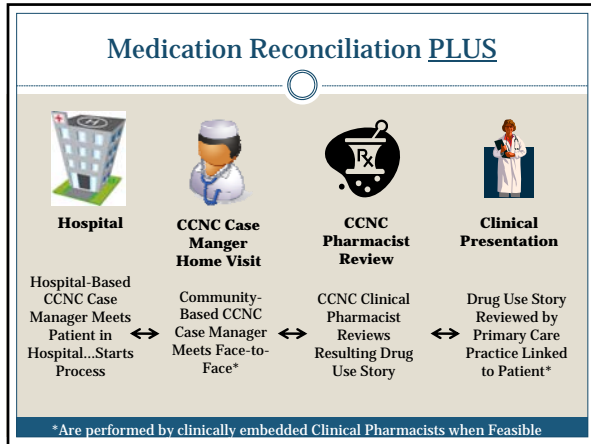
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- ### Barriers to ACO Entry for Chain Drug Stores
- **Lack of Local Autonomy**
    - Hierarchical, centralized build makes locally-based collaboration and gainsharing difficult
  - **Slow Evolution of HIEs/PHRs**
    - No shared platform for collaboration, tasking with other health care settings
  - **Mercantile Stereotype**
    - The "Word Association Test" when given to other health care providers asked about Retail Pharmacy is not very flattering
  - **Workforce Challenges**
    - Professional Training
    - Professional Ownership of Quality MTM

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- ### Advantages of Chain Drug Store Participation
- **Most frequented health care setting**
  - **Culture allows for small "value-added" interventions**
    - May only last 1-2 min
    - Key is Return on Investment to the ACO
    - Might often be drug use information gathering
      - How much is it worth to the ACO to know why John Doe isn't taking their medicine?
      - How much is it worth to the ACO to make sure that John Doe knows what his medicines are for?
  - **PQA measures lend themselves well to ACO-type quality improvement and gainsharing**
    - But need to explore "second generation" PQA that matches drug therapy problems with costly events
      - Need to draw a causal line between "light touch" interventions and savings

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