Maximizing the Pharmacy Executive Forum

Make the Most of Your Membership

Lindsay Conway
Managing Director
conwayl@advisory.com
202-266-5845
1. Who We Are
2. What We Do
3. How to Use Us
### The Advisory Board Company in Brief

<table>
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<tr>
<th>RESEARCH AND INSIGHTS</th>
<th>PERFORMANCE TECHNOLOGIES</th>
<th>CONSULTING AND MANAGEMENT</th>
<th>TALENT DEVELOPMENT</th>
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<tr>
<td><strong>Memberships Offering Strategic Guidance and Actionable Insights</strong></td>
<td><strong>National Peer Collaboratives Powered by Web-Based Analytic Platforms</strong></td>
<td><strong>Seasoned, Hands-On Support and Practice Management Services</strong></td>
<td><strong>Partnering to Drive Workforce Impact and Engagement</strong></td>
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<tr>
<td>• Dedicated to the most pressing issues and concerns in health care</td>
<td>• Leading provider: Over 65% of inpatient admissions in the United States flow through our technology platforms</td>
<td>• 3,600+ years of “operator” experience in hospital and physician practices</td>
<td>• Impacted the achievement of 88,000+ executives, physicians, clinical leaders, and managers</td>
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<td>• 300+ industry experts on call</td>
<td>• Over 3 million user sessions annually</td>
<td>• Principal terrains: growth, margins, physician alignment, and the transition to value</td>
<td>• 19,500+ outcomes-driven workshops tailored to partners’ specific needs</td>
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<td>• 200+ customizable forecasting and decision-support tools</td>
<td>• Key challenges addressed: margin improvement, physician alignment, payer contracting, quality improvement, and patient experience</td>
<td>• Range of engagements from strategy to best practice installation to interim management to fully managed services</td>
<td><strong>Survey Solutions</strong></td>
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<td><strong>238,000+</strong></td>
<td><strong>$700 +</strong> million in realized value per year</td>
<td><strong>2,300 +</strong> engagements completed</td>
<td>• Customized strategies for improving employee and physician engagement</td>
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<td>health care leaders served globally</td>
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<td></td>
<td>• National health care-specific benchmarking database of 880,000 respondents</td>
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<td><strong>8,400 +</strong> employee-led improvement projects</td>
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# The Pharmacy Executive’s New “To Do” List

<table>
<thead>
<tr>
<th>Intensifying Margin Pressure</th>
<th>Increasing Quality, Outcomes Scrutiny</th>
<th>Transition to Population Health</th>
<th>Rise in Health Care “Consumerism”</th>
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</thead>
<tbody>
<tr>
<td>Prioritize growth opportunities from specialty and retail</td>
<td>Ensure rigorous medication reconciliation across settings</td>
<td>Closely scrutinize formulary decisions</td>
<td>Contribute to an exceptional patient experience</td>
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<tr>
<td>Right-size pharmacy service portfolio, market footprint</td>
<td>Model impact of new policies on pharmacy operations, finances</td>
<td>Drive patient adherence and reduce abandonment</td>
<td>Enhance convenience, access to pharmacy services</td>
</tr>
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<td>Optimize operational efficiency</td>
<td>Prioritize investments in pharmacy data and technology</td>
<td>Reduce medication-related readmissions, optimize post-discharge protocols</td>
<td>Differentiate pharmacy program, establish a unique value proposition</td>
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<tr>
<td>Pursue novel advantageous contracting arrangements with suppliers</td>
<td></td>
<td>Ensure strong pharmacist integration into outpatient care team</td>
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Pharmacy Leaders Face Obstacles at Every Turn

Developing Growth Strategies
Need to develop robust, innovative strategies and business plans to capture market opportunities

Tracking, Managing Performance
Need market intelligence and benchmarks to identify opportunities and track progress

Engaging System Stakeholders
Need health system leaders support for new initiatives; need physician and staff support for implementation

Managing Operational Concerns
Need to juggle day-to-day operational challenges with need to dedicate attention to longer-term strategic planning
Introducing the Pharmacy Executive Forum

The Pharmacy Executive Forum Helps Pharmacy Leaders…

Develop market-leading strategy

- Analysis of national trends and industry news
- Strategy decision guides
- Expert consultation

Accelerate performance improvement

- Best practice publications
- Program performance assessments
- Clinical, operational, and financial benchmarks

Enhance team capacity and effectiveness

- On-call research support
- Sample policies, procedures, job descriptions
- Staff training and development

Communicate pharmacy’s value to the system

- Executive education
- Ready-made presentations
- Trusted third-party voice
Pharmacy’s Most Urgent and Important Needs

Areas of Future Inquiry

Growth Strategy
- Specialty pharmacy
- Retail pharmacy
- Centralization vs. decentralization

Cost and Operations
- Supply chain management
- Technology and IT adoption
- Operational efficiency
- Staffing and management

Population Health
- Care team integration
- Medication reconciliation
- Medication therapy management

Clinical Operations
- Formulary management
- Reducing prescribing variation
- Antimicrobial stewardship
- Opioid use

Change Management
- Securing leadership support
- Engaging physicians in clinical practice initiatives
- Enfranchising staff in performance improvement

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Road Map

1. Who We Are
2. What We Do
3. How to Use Us
Our Research Methodology

Relentless Focus to Find the Right Answers

1. Annual Topic Selection
2. Literature Review and Interviews
3. Original Analysis
4. Screen Proven Practices
5. In-Depth Case Study Research
6. Comprehensive and Actionable Solutions
7. Implementation Resources and Support
“How do we embed pharmacists into the primary care team? What’s required to make the model work?”

Study in Brief: “Integrated Pharmacy Models in Primary Care”

- Conducted comprehensive literature review, identified 5 best practice organizations; interviewed each to gather operational details
- Reported benchmarks on:
  - Staffing and deployment
  - Patient eligibility and referral processes
  - Patient and provider engagement strategies
  - Care coordination processes
  - Performance monitoring and outcomes
  - Financial considerations
A Financially Sustainable Model at UNC-MAHEC

Billable Services Replace Initial Grant Funding

**Initial Grant Funding**
- University support enables program launch

**Early Billable Services**
- "Incident to" billing codes allow pharmacists to start bringing in revenue
- New transitions in care codes yield higher reimbursement rates than incident to billing

**Increasing Self-Sufficiency**
- Pharmacists bill for Medicare Wellness Visits (WMVs), most profitable service for program
- Employee wellness visits negotiated with self-insured employer bring additional revenue

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"Quilt Approach" Shifts Funding Sources Over Time to Support Program Growth

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<th>12–18</th>
<th>50%</th>
<th>$70K</th>
</tr>
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<tbody>
<tr>
<td>Months to transition away from grant funding</td>
<td>Initial target for billable reimbursement</td>
<td>Approximate annual billing per pharmacist for MTM services</td>
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## How the Program at UNC-MAHEC Works

### Staffing and Deployment

- **Pharmacy team**: 5.25 FTE pharmacists and 2 pharmacy residents employed by MAHEC and co-funded by UNC
- **Patient caseload**: 4-5 per pharmacist on average per half day
- **Duration of visits**: 15 min. for anticoagulation teams, 30 min. for others

### Patient Eligibility and Referral Process

- **Direct referral**: ≈80% of referrals are from PCPs
- **Clinical triggers**: Automatic referrals for key conditions (e.g., abnormal DEXA results or hypertension scores exceeding thresholds), Medicare Wellness Visits, employee wellness visits

### Patient and Provider Engagement Strategies

- **Time to steady-state referral volumes**: Practice dependent
- **Strategies**: Inter-professional meetings monthly to discuss shared expectations and quality indicators

### Care Coordination Strategies

- **Standardization**: EMR templates for documentation of encounters, team member communication, and quality indicators for chronic illnesses

### Performance Metrics and Outcomes

- **Clinical outcomes**: Improved utilization of ACE inhibitors, beta blockers for CHF patients, inhaled corticosteroids for persistent asthma, DEXA screening rates

### Financial Considerations

- **Funding source**: “Incident to” billing and transitions in care codes allow billing at higher levels if physician sees patient with a pharmacist
- **Other considerations**: In several states, pharmacists may bill for Medicare Wellness Visits

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1) University of North Carolina-Mountain Area Health Education Center.
Deriving Insight from Looking Across Programs

Most Initially Rely on Grant Funding, Then Push for Reimbursement

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<th>Insight</th>
<th>Measure program impact on total cost of care and downstream utilization to demonstrate business case</th>
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<tbody>
<tr>
<td>Rationale</td>
<td>• Supports financial sustainability planning and program expansion beyond grant-funded pilot</td>
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<td></td>
<td>• Builds case to present to commercial payers.</td>
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<tr>
<td>Action Steps</td>
<td>• Identify program costs, including staffing, IT investments, and training</td>
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<td></td>
<td>• Estimate cost avoidance attributable to integrated model and compare to overall program costs</td>
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Adapting to Your Style and Preferences

We have services for when you want to...

- **Read**
  
  *Example: Read a best practice publication; browse our online library*

- **Listen**
  
  *Example: Gather a group to listen to a webconference*

- **Attend**
  
  *Example: Fall Summit*

- **Connect**
  
  *Example: Ask PEF to identify a peer organization and make an introduction*

- **Benchmark**
  
  *Example: Use our Benchmark Generator to see how your org stacks up*

- **Ask**
  
  *Example: Submit a question to the research team*
<table>
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<tr>
<th>Best practice research</th>
<th>I have an upcoming meeting with the C-suite, and I’m looking for research on multi-modal pain management and current trends in pain management.</th>
<th>The Advisory Board has developed a research brief, Cost and Quality Impacts of Multi-Modal Pain Regimens, that analyzes how more than 400 organizations manage pain.</th>
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<tbody>
<tr>
<td>Expert Consultation</td>
<td>I’m looking to speak with an expert regarding the rising cost of drugs. In particular, I’m looking for best practices for optimizing contract management and employee benefit design.</td>
<td>We’ve scheduled a 1-hour phone appointment with Lindsay Conway, Managing Director of our Pharmacy Executive Forum, to discuss ways in which your health system can evaluate contract opportunities.</td>
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<tr>
<td>Peer Networking</td>
<td>We are developing a specialty pharmacy. We would like to speak to other organizations that have done so successfully and possibly go on site visits to view their programs.</td>
<td>Our Pharmacy Executive Forum experts have identified two institutions similar to yours that have developed successful specialty pharmacies, and we’d be pleased to facilitate an introduction.</td>
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<tr>
<td>Data and Analytics</td>
<td>I’m looking to evaluate our staffing and operations benchmarks for our infusion center. Can you help?</td>
<td>We are happy to share with you our interactive Infusion Center Volume, Staffing, and Operations Benchmark Generator, which can guide your thinking for pharmacy operations.</td>
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</table>
Unlimited Expert Consultation

Lindsay Conway
Managing Director
ConwayL@advisory.com

Gina Lohr
Senior Consultant
LohrR@advisory.com

Brian Contos
Executive Director
ContosB@advisory.com

Sample Questions

• What is the 5-year forecast for drug prices?
• How do we improve medication management in the post-acute care setting?
• What are the most resource-efficient approaches to antimicrobial stewardship?
• What is the average price per prescription for drugs dispensed in the retail setting?
• When integrating pharmacists into primary care clinics, what is the optimal ratio of pharmacist to MDs?
2016 Fall Member Summit

Held November 7 in Washington, DC

Meeting Agenda

The New Era of Health Care Reform
Health System Strategy Amid Accelerating Change – and the Implications for Pharmacy

Communicating Pharmacy’s Strategic Value
Making the Case for Expanded Investment in Pharmacy to Advance Health System Goals

NETWORKING LUNCH

Advancing Health System Retail Pharmacy
Best Practices for Business Development and Operations

Pharmacy System Strategy
Leveraging Scale to Increase Efficiency, Enhance Quality and Improve the Patient Experience

Praise for the Fall Summit

“I was pleased with the diversity of knowledge and ideas brought to the group. The openness of sharing was refreshing.”

“I found all sessions very valuable and pertinent to today’s environment.”

“Brought to light some interesting pieces of information. Made you think differently and more in depth.”
Pharmacy Executive Forum

Welcome back, Lindsay.

Value-based payment, population health, patient consumerism—these are just a few of the industry trends prompting health systems to fundamentally rethink pharmacy services. Pharmacy is no longer just a cost center; it is a lynchpin for health systems’ strategic goals. The Pharmacy Executive Forum’s mission is to help pharmacy leaders with business planning, performance improvement, and care team integration.

Let us help you get started.
Managing Your GoTo Panel

How to Ask a Question

To ask the presenter, please type your question into the “Questions” box on your GoTo panel and press send.

Minimizing and maximizing your screen

Use the orange and white arrow to minimize and maximize your GoTo panel.

Use the blue and white square to maximize the presentation area.
Webconference Survey

Please take a minute to provide your thoughts on today’s presentation.

Thank You!

Please note that the survey does not apply to webconferences viewed on demand.