The Academy of managed Care Pharmacy (AMCP) in a recent publication “Format for Formulary Submissions” defined SP’s the following:

- Basically specialty pharmacy ... are distinct from traditional pharmacies in coordinating ... aspects of patient care and disease management. They ... deliver medications with specialized handling, storage, and distribution .... They are also designed to improve clinical and economic outcomes for patients with complex, often chronic and rare conditions, with close contact and management by clinicians...
Schematic of **Old** Model in Health Care
Schematic of Current Bureaucracy in Government
Schematic of New Model in Health Care Emphasizing Patient - Centered Collaborative Approach
Defining Specialty Pharmacy
Specialty Medications - Definition
Disease states include complex, chronic and/or rare conditions:
Compared to the average patient, specialty patients are more likely to have:

- Multiple Diagnoses
- See More Specialists
- Fill More Prescriptions
- Have More Lab Tests
- ER Visits
- Hospitalizations

As a result, specialty patients have much higher overall medical costs, as much as 8.5 times higher than non-specialty patients.
Defining Specialty Pharmacy Services:

Offering services beyond what is available at the retail level:
Why Specialty Pharmacy it is so important (and expensive)

- Specialty drug spend is expected to more than quadruple by 2020, reaching approximately $402 billion a year. (CVS Caremark -2013)

- While only a very small percentage of patients (less than four percent) use specialty medications, they account for 25 percent of health care costs.

- “Within 4 years, specialty drugs will account for 40% to 50% of pharmaceutical manufacturers sales” Specialty Pharmacy Today
Medication Adherence = Improved Quality of Life and Cost Savings

- World Health Organization: “Increasing the effectiveness of adherence interventions may have the greater impact on the health of the population than any other improvement in specific medical treatment”

- Medication Non-Adherence – a diagnosable and treatable medical condition
A New England healthcare Institute report published in August 2009 found that non-adherence to medication therapy resulted in:

- Additional physician visits (cost $24.2 billion a year)
- Additional hospital visits ($197.8 billion)
- Emergency department visits ($23.3 billion)
- Long-term care admissions ($58.8 billion)
- Additional prescriptions ($5.9 billion)
“High quality medical care is a “team sport” involving physicians and other providers, nurses, care managers, health plans and well trained pharmacists. Improving medication adherence rates improves quality, public health and saves money”
Reasons for Non-Adherence:

- Patient not understanding connection between adherence and continued health
- Patients conclude benefits don’t outweigh cost
- Complexity of regimen
- Patient factors; forgetfulness
- Perception of medication to not have therapeutic efficacy
- Comorbidities – other disease states that interfere with treatment
- Psychosocial and/or socio-economic issues
Key Factors for Proper Adherence:

**The Right Drug**

- At the right time
- On the right schedule
- Under the right conditions
- With the right precautions

**The Right Dose**
How do you know which SP’s are doing a good job and which aren’t?
Ways to separate the good from the bad.
Gold Standard Model of Care:

Systems of Care

Wraparound Services
Multidisciplinary Care Teams

- Reimbursement
- Pharmacy
- Nursing
- Clinical Management Programs
- Social Work
- Patient advocacy
- Case Management
- Patient Education
- Clinical Outcomes Measurement
- Communication, Collaboration and Coordination
There are number of accrediting bodies that provide external performance verification.
URAC - formerly known as the Utilization Review Accreditation Commission

ACHA - (JCAHO)

CHAPS
Issues for Lawmakers

What should the Government pay for and how do we decide that?

One of the biggest issues for legislators at the state and federal level – “any willing provider” or “patient choice laws”