

# SURTHRIVAL

INDEPENDENT PHARMACY

## SERIES™



## The value of clinically integrated networks

by Chris Linville

*In November 2019, NCPA announced the SurThrival series. Through October 2020, America's Pharmacist® is assembling some of the country's top experts in the pharmacy industry each month to share their insights on business, marketing, technology, personnel management, and much more. It's what every independent pharmacist needs to know to survive and thrive in a changing marketplace.*

The term “clinically integrated network,” or CIN, is fairly new to pharmacy, so some pharmacists might not be familiar with what it is. In basic terms, a clinically integrated network is a collection of health care providers that demonstrate value to the market by working together to facilitate the coordination of patient care across conditions, providers, settings, and time to improve care and decrease overall health care costs. In pharmacy world, proponents believe – and have evidence to support this belief – that clinically integrated network of pharmacies provide value to the overall health care system. In doing so, and agreeing to be accountable for the results, a clinically integrated network of pharmacies is able to engage with payers to receive a share of the dollars that payers save in patient care costs as a result pharmacies clinical integration efforts.

### MEDICAL SIDE IS THE MODEL

“When considering the necessary steps to ensure that community pharmacy practice is sustainable, I often look to the medical side to see how they are doing things,” says Troy Trygstad, PharmD, MBA, PhD, executive director of CPESN® USA. “Clinical integration has been around for decades on the physician and hospital side. A clinically

integrated network consists of separate providers joining together and agreeing to be accountable for the quality and value of care that the network participants provide. By clinically integrating, the participants express value, both individually and collectively, to the marketplace. Being accountable gives the participants an incentive to achieve the quality improvements and overall cost savings promised by the network as a whole. A clinically integrated network successfully and lawfully implements the concept of separate entities engaging in a group effort that promotes competition by lowering costs and delivering value. In short, a better ‘mousetrap.’”

An accountable care organization is an entity that is operating as part of the Medicare ACO programs. But often, Medicare ACOs operate as CINs outside of the Medicare payer space. That is because of the similarities between the purpose and operation of an ACO and that of a CIN. For example, both the Medicare ACO program and CIN engage with payers on population management, and scaled-clinical care opportunities. Based on numbers in *Becker's Hospital Review*, Trygstad says there are more than 500 CINs on the medical side of the house.

Pharmacies are not permitted to participate in the Medicare ACO program, but the term ACO is widely known. So, because of the similarities between ACOs and CINs, in Trygstad's view, it made sense to bring the concept of accountability to the pharmacy world. “There are thousands of pharmacies out there that want to bring new services to the marketplace, but cannot do it individually.” He says CPESN USA is the nationwide network of accountable pharmacy networks that can fill that void.

“Engaging in health care provider contracting that rewards clinically integrated, accountable providers in 2020 is expensive. It requires a lot of infrastructure, legal and data and otherwise,” Trygstad says. “So to have a shared services provider that is managed and governed by the providers themselves, that collects clinical data to reduce

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variation in practice, and brings new services to the marketplace with accountability, selectivity of pharmacies, and practice transformation – all those efforts make it easier for payers to enter into contracts as compared to individual contracts with each provider.”

Kacee Blackwell, PharmD, works with Pharmacy Providers of Oklahoma in Edmond, Okla. PPOk is a pharmacy services administration organization founded in 1985 to help pharmacies contract with PBMs when negotiating or dispensing. Since 2016 Blackwell has led PPOk’s CPESN efforts through its Rx Select network.

“As we know, most people look at pharmacies all the same, that they are just providing drug products, and that’s not what we are trying to accomplish with CPESN,” Blackwell says. “That perception is outdated. We are trying to be reimbursed for the services that we provide” as a CIN. “When it comes to contracting [being a CIN] is a big benefit because they don’t have to contract with something like 200 different pharmacies; they can sign a single signature contract that can cover the entire network.”

#### **SHOW THEM THE VALUE**

Blackwell says demonstrating value and flexibility within the network usually gets a good response.

“We’re working with a health system to bring a pharmacist on board a couple times a month to do medication management appointments with their patients,” she says. “And in those first meetings we brought the pharmacist in and he spoke to the primary care physicians, and they immediately asked who the contract is between – is it between [physicians] and the pharmacy, or [physicians] and the network? And when they found out they could contract with the network and potentially expand this to other clinics and other pharmacies within our network and with theirs, it was really positive for both sides.”

#### **DOCUMENTATION IS CRITICAL**

As Blackwell points out, “If you have not documented your services, nobody knows that you did it. So documenting everything comes in handy in a lot of ways – with liability and also payer level of reimbursement, so they know you have provided the services that you said you provided.” She says they can also see the value that those services provided in terms of improved patient outcomes, which help to reign in overall health care costs. “Internally it [enables] [participants] to measure and track all of the things that you do that are beyond dispensing. So get engaged with eCare plans, find a platform that works for you and your staff, and make sure that you know how to use it.”

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### BREAKING DOWN BARRIERS

When pharmacies have basically been doing their own thing for so long, Blackwell working with other pharmacies to offer a new type of health care delivery to the marketplace is a new experience. But although some participants are competitors in services outside of the network, they understand the value of working together in an integrated way to improve performance.

"It's a barrier sometimes to engage those who aren't quite ready, and when you have some of them doing clinical services for quite some time on their own," she says. "One thing that our network will use eCare plans and other data for is to create and share a scoreboard with the entire network on how each pharmacy is doing on eCare plan documentation. Data collection will give payers the opportunity to see network performance and value of contracting with the network."

### ENSURING CONSISTENCY OF CARE

In terms of short-term goals, Blackwell says they include aligning efforts with the Flip the Pharmacy initiative and getting a standard service level across the pharmacies in the network.

"There is quite a bit of variance in the level of service provided at Pharmacy A versus Pharmacy B," she says. "If we are going to get engagement from payers, they want to know that they are paying for a specific service set. It's important that they can be assured that members are going to get that same level of service regardless of which pharmacy they go to in the network." ■

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### KEY TAKEAWAYS

- Demonstrate your value as a network to potential payers.
- Thoroughly document all of your services.
- Don't be afraid to delegate tasks to staff.
- Have standard consistency of care across all network pharmacies.

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