



# PQA Cost of Care Cluster Group

## Members



**Chair – Karen Rascati – The University of Texas**

**Co-Chair – Pauline Chan – DHCS - California**

**Co-Chair - Shelly Winston - Mirixa**

**Co-Chair – Jessica Frank – Outcomes  
Pharmaceutical Health Care**

**Working Group - Marissa Schlaifer- AMCP**

**Working Group – Mark Conklin - Highmark**

**Working Group - Anthony Pudlo – Kerr Drug**



# Objectives



- Write literature review / white paper on what costs need to be considered when evaluating costs and cost savings of MTM
- Publish in Medline-cited pharmacy journal
- Publicize its availability
  - Can be used in current decision-making based on what has been done
  - Starting point for future information gathering



# Steps - Completed



- ✓ Collect relevant references (94 articles)
- ✓ Draft outline of paper
- ✓ Revise outline based on feedback
- ✓ Merge 94 reference numbers to outline
- ✓ Assign sections of outline to members of committee to write draft summary (16 sections)



# Steps – Completed



- ✓ Develop template for collecting information from articles
- ✓ Summarize each of 94 articles using template
- ✓ Summarize 16 sections and collate
- ✓ Update references for 2009 (19 new articles)



# Template (1)



## **Journal Article Review**

**Article Title:**

**Author(s):**

**Citation:**

**Reviewer:**

**Overview:**

**Study Design (if applicable):**

**Methods (if applicable):**



# Template (2)



**Results:**

**Strengths:**

**Limitations:**

**Conclusions:**

**Implications for the project:**



# Example Article Summary (1)



## **Journal Article Review (Reference # 77)**

**Article Title:** Analysis of pharmacist charges for medication therapy management services in an outpatient setting

**Author(s):** Michelle M. Zingone, Karen E. Malcolm, Stephanie W. McCormick, and Kristi R. Bledsoe

**Citation:** Am J Health-Syst Pharm—Vol 64 Sep 1, 2007 Updated information and services can be found at:

**Reviewer:** Anthony Pudlo, PharmD, MBA; Jeremy Peek, PharmD

### **Objective:**

Pharmacist charges for medication therapy management (MTM) services in an outpatient setting were analyzed.

### **Methods:**

Patients' visits with pharmacists in three ambulatory care clinics in a large, urban teaching institution from December 2005 through February 2006 were analyzed. Data collected included the number and type of current diseases, insurance coverage, number of medications patients were taking, pharmacist time spent per patient visit, pharmacy services provided, and estimated charge for services based on level of care provided using physician and pharmacist billing codes. Data were analyzed using descriptive statistics.



# Example Article Summary (2)



## Journal Article Review (Reference # 77)

### Results:

A total of 500 pharmacist–patient visits were evaluated. The mean  $\pm$  S.D. patient age was  $59.0 \pm 13.3$  years. Patients had a mean  $\pm$  S.D. of  $4.0 \pm 2.0$  diseases and were taking  $9.1 \pm 4.6$  medications. The majority of visits (83%) lasted 30 minutes or less. The mean charge per visit using incident to physician care billing was \$37.09 and \$63.24 for level 1 and level 2 visits, respectively. Pharmacist billing was found to result in an average charge of \$26.58 (\$1 per minute), \$53.16 (\$2 per minute), or \$79.72 (\$3 per minute) per visit. There was no difference in pharmacist time spent with complex patients versus noncomplex patients ( $p = 0.1314$ ). The use of pharmacist billing codes would not be beneficial unless each visit was billed as \$3 per minute.

### Conclusion:

Converting from incident to physician billing to pharmacist billing would not generate additional revenue for this medical center at this time.



# Example Article Summary (3)



## Journal Article Review (Reference # 77)

### Strengths:

Pharmacist and pharmacy residents were able to provide services to patients converting from incident-to-physician billing to pharmacist billing

Internal medicine pharmacotherapy and anticoagulation clinics are standard of care

Study was conducted at large facility which increased the diversity of the patient population

Pharmacist and pharmacy residents were able to provide patient interventions to increase patient care

### Limitations:

Only 1 site was studied (SJMC)

Since study investigators did not observe patient visit, an inaccurate count of patients visits may have occurred

Time/knowledge of each pharmacist/resident varied from patient to patient

Multiple data collectors (15 pharmacist/residents)

No standard definition of “MTM”; which leads to pharmacist/resident interpretation

Charges for pharmacist billing charges were based on suggested rates

Study was performed in physician clinics vs. community setting (cannot generalized to community pharmacy)



# Example Article Summary (4)



## **Journal Article Review (Reference # 77)**

### **Implications for the project:**

Further studies needed to assess accurate pharmacist billing rates

Differentiation between complex and noncomplex patients needs to be thoroughly defined

Further studies should focus on community pharmacy

Clinically trained pharmacist may increase efficacy of future studies



# Steps – To be completed



- Incorporate new information (19 articles) into summary document
- Check summary document for gaps and/or overlap
- Edit summary document
- Send draft whitepaper to committee and others for feedback
- Finalize white paper by December 31, 2009!



# Preliminary Comments



- The studies evaluated demonstrate a variety of different MTM service models, with most occurring prior to Medicare Part D, which demonstrates pharmacists have been successfully delivering these type of services for many years.
- However, it is difficult to determine the costs associated with MTM services from the payer perspective because the definition of MTM is very different from program to program (i.e. no apples to apples comparison)
- The studies evaluated provide a good starting point for evaluating costs associated with MTM services and provide insight into what potential cost drivers might be but further research in this area is much needed, particularly in the Medicare Part D space