

# Rx Review Pharmacist Questions and Answers

## 1. How will clients be enrolled or chosen for this program? Is this program voluntary?

Participation in the program is voluntary, for both clients and pharmacists. To be eligible for participation, clients must be receiving Medicaid fee-for-service benefits. In addition, clients must have paid claims for at least 5 medications in three consecutive months because the program is designed to correct drug misutilization. Based on those criteria, the Department will generate a list of clients that includes each client's address and a profile of the client's medications, providers and disease states.

Pharmacists must meet specified qualifications and submit an application to the Department in order to participate in the program. The Department intends to contract with enough pharmacists to provide statewide coverage for the program. The client list will then be compared to the list of participating pharmacists to determine if there are any geographic matches. Clients not residing within a reasonable distance of a participating pharmacist will be continually re-examined for participation in the program as new pharmacists are recruited. The determination of what is a reasonable distance will vary depending on how far each pharmacist is willing to travel. Whether clients are then matched up with pharmacists will depend on the following factors: the number of consultations each pharmacist has agreed to perform; the number of consultations that can be performed pursuant to the program's appropriation; and efforts to perform the consultations across as much of the state as practicable.

The first contact with clients will be via a letter from the Department that details the program, explains that participation is voluntary, and lets them know the name of the pharmacist who will be contacting them to request a meeting. The pharmacist then contacts the client to schedule a mutually agreeable meeting time and location for the consultation. The pharmacist may call the client or speak to them in person if the client uses their pharmacy.

## 2. How often will clients receive the service?

Clients may receive the service once per state fiscal year so that the Department may arrange as many consultations as possible under the current program appropriation. Once a consultation has been provided, the standard DUR processes will continue to help identify drug misutilization.

## 3. Please explain what the pharmacists will be doing during the face to face consultation and describe the specific interventions to be provided by the Pharmacist to Medicaid recipients. For example, MTM providers provide education and training to enhance recipients understanding and adherence to therapeutic regimens. Please elaborate on the specific activities to be performed by the pharmacists during this one encounter.

The Rx Review Program is not designed to be a full-fledged Medication Therapy Management (MTM) program.

The pharmacist will perform the following duties as part of the consultation:

- Prior to the actual consultation, review and evaluate the client profile, which includes information on the client's medications, providers, and disease states.
- At the consultation, review the client profile with the client for accuracy and inquire if any medications, providers, or disease states, are not indicated on the profile.
- Perform a medication review to identify, resolve and prevent medication-related problems, including:
  1. Screening for drug-drug and drug-OTC/supplement interactions,
  2. Screening for duplicative drug therapy,
  3. Evaluating the client's response to current therapy, including drug effectiveness and safety, and
  4. Using multiple prescribers and/or pharmacies.
- Provide verbal education and training designed to enhance the client's understanding and appropriate use of the client's medications and compliance with the client's therapeutic regimen.
- Draft and submit a report to the Department which documents the consultation, recommends changes in therapy if appropriate, and communicates any other essential information to the client's providers.

The Department will distribute the pharmacist's report to the client and the client's providers. Pursuant to state law, the responsibility for changing the client's therapy based on the pharmacist's recommendations lies with the prescribers and client. The pharmacist is not required to further contact the client or client's providers once the consultation has been completed.

# Rx Review Pharmacist Questions and Answers

The consultations may occur either face-to-face or by telephone. While the Department desires face-to-face meetings for all consultations, the Department believes that for this vulnerable Medicaid population, a consultation by telephone is a better outcome than no consultation at all. Therefore, the pharmacist may conduct telephone consultations if the client is unable or refuses to meet in person. If a pharmacist contacts a client by telephone to schedule the meeting, that conversation is not considered to be a consultation.

**4. Please provide a rationale for allowing only one consult and how Medicaid recipients will be impacted by a one-time service. What happens if a recipient's medications change considerably after the one consult? Will a follow-up consult be allowed so that the MTM provider can explain the changes to their medication regime? How will the State monitor to determine the effectiveness of this benefit?**

The intent of the authorizing legislation was to provide for medication therapy counseling sessions that are more comprehensive, and result in better coordination of care, than the drug utilization review required by 42 USCS Section 1396r-8. However, the state legislature did not intend to create a program that would provide the level of services found in true Medication Therapy Management (MTM) programs. The Rx Review Program is closely modeled after the Wyoming Pharmacy Technical Assistance Program which does not provide for follow-up after the pharmacist's report is provided to the client and the client's providers. Wyoming reported that from January 2005 through June 2006, 218 client consultations were performed with an average yearly savings of \$1,675 per client. Those savings indicate that clients and providers did indeed work together without any further follow-up from the consulting pharmacist.

Similarly, the Department believes that giving the pharmacist's recommendation to the client and client's providers will result in appropriate changes to the client's medication therapy. In addition, the Department expects that just the training and education, provided to the client during the consultation, will help improve the client's appropriate use of their medications and compliance with their therapeutic regimen.

If there is a considerable change in the client's medications, it would fall upon the prescriber and the client's regular pharmacist to provide the appropriate medication counseling and training as part of the normal DUR process when medications are dispensed. That responsibility will not, and should not, be diminished if a client participates in the Rx Review Program or even in a full-fledged MTM program. But, as stated above, the Rx Review Program is not intended to be a MTM program; therefore, a follow-up consult is not available to participating clients.

The Department will monitor the effectiveness of the Rx Review Program by performing two types of analyses. The results will be reviewed to determine how well they align with the program's goals of improving client health outcomes, enhancing medication safety and reducing total health expenditures.

First, Department clinical staff will perform a drug therapy problem analysis. This analysis involves reviewing the pharmacist reports for a sample of the participating clients to determine the type of drug therapy problems that have been identified. Examples of drug therapy problems include the client's dosage being too low or that the client was noncompliant with their medication regimen. Then clinical staff will review the client's post-consultation pharmacy claims to identify if the claims reflect the resolution of the identified drug therapy problems and, if not, clients may be considered for another consultation in the following fiscal year.

Second, the Department will perform an economic outcomes evaluation for clients with 6 months of continuous coverage before and after the consultation. The client's total health expenditures will be assessed to determine the difference, and direction of change, before and after the consultation. The analyses will include a breakdown of the total health expenditures into expenditure categories, such as medication expenditures and inpatient hospital care and services.

**5. How do the services proposed under this SPA differ from the activities currently provided under the State Drug Utilization Review Process (DUR)? From what we see, it seems that the proposed activities should be currently provided under the DUR process.**

The DUR process has three separate components which serve useful functions, the Rx Review Program will complement these processes as well as provide more comprehensive drug therapy review. First, prospective DUR at

# Rx Review Pharmacist Questions and Answers

the point-of-sale screens for drug therapy problems, but has limitations. Prospective DUR does not provide coordination of the client's care to the same degree as provided by the Rx Review Program. For example, the results of the prospective DUR may not be communicated by the billing pharmacy to the client and the client's prescriber. If information is communicated, in most cases only the prescriber is contacted rather than all of the client's providers, as is the case with the Rx Review Program. In addition, the pharmacy claim system can only review medications for which Medicaid has paid claims and the system does not relay disease state data to the pharmacy. The Rx Review program presents an opportunity for pharmacists to inquire and evaluate all the medications and supplements that the client is taking whether or not they have been paid by Medicaid. And since this portion of the DUR review is prospective, the client has not taken the medications yet and cannot discuss drug effectiveness or side effects, as they can with the Rx Review Program.

For similar reasons, the second component of the DUR process, pharmacists counseling clients when they pick up their prescriptions, is not a service as comprehensive as the Rx Review Program. Pharmacists are required only to offer the counseling, yet Department pharmacists reported that declining such an offer is actually quite common. Even when counseling does occur, pharmacists may only see a small snapshot of the medications the client is taking. The pharmacist will not likely know if the client is taking medications dispensed by another pharmacy or by a physician. In addition, the pharmacist will not have a detailed list of the client's disease states to assist with counseling.

The third component of the DUR process is retrospective DUR performed by the Department's DUR Board. This process has been quite helpful in identifying and correcting specific misutilization issues. But, this process does not provide coordination of care as comprehensive as that provided by the Rx Review Program or provide for interaction with clients. The Board focuses on drug therapy issues within particular therapeutic drug classes. In contrast, clients taking a wide spectrum of medications and experiencing different disease states may participate and benefit from the Rx Review Program. If the Board identifies a drug therapy issue for any particular client, the Board contacts just the prescriber, not the client or the client's other providers. The drug therapy analysis is based on data only and there is no Board interaction with the client as occurs with the Rx Review Program.

## **6. How do the proposed medication therapy management activities go above and beyond what's already expected under the DUR process?**

As explained in the response to question #6, the Rx Review Program provides pharmacists with a much more detailed picture of the client's drug therapy and health status. The client profiles provided to the consulting pharmacists indicate if multiple pharmacies and prescribers are being used, all the medications for which there are paid claims and the client's disease states. In addition, by interacting with the client, pharmacists can inquire as to medications and supplements being taken but not reimbursed by Medicaid and as to the effectiveness of their medications. As a result of having more information and interaction with the client, the screening for drug therapy problems, as well as the resulting medication training and education, is much more thorough than that normally provided during the usual DUR process. In addition, the Rx Review Program provides more coordination of the client's care because the pharmacist's recommendations are sent not only to the client but all of the client's providers as well.

### **Questions Regarding Reimbursement Methodology:**

#### **1. The State proposes to pay providers one rate regardless of the amount of time performing the services. Please explain how this methodology conforms with economy and efficiency as required under Section 1902(a)(30)(A) of the Act.**

As previously discussed, the Rx Review Program is intended to provide a medication therapy counseling session more comprehensive than that afforded clients during the standard DUR process but less encompassing than that provided by MTM programs. Since the required duties are defined and not as time-consuming as those required by MTM programs, the Department believes that a flat rate is appropriate. Department pharmacists estimated it will take, on average, 1.5 hours to complete all required duties. Based on market research, the flat rate of \$75.00 is reasonable compensation given the duties and estimated time for completion. In addition, the Rx Review Program is modeled after Wyoming's Pharmacy Technical Assistance Program which has successfully used a flat rate to reimburse their participating pharmacists.

## Rx Review Pharmacist Questions and Answers

**2. Please detail what is meant by “allowable cost.” Does the State look at salary and indirect cost to develop the rate? If so, please explain the source of the information. How does the State develop the rate based on cost when there is no distinct time associated with the payment amount?**

Allowable cost includes the pharmacist performing the following duties: contacting the client and scheduling a meeting; meeting with the client; reviewing the client’s medication therapy and health outcomes; providing training and education to the client; drafting and submitting a report to the Department; and having the license and insurance required to be a practicing pharmacist in Colorado.

The rate is based on the average hourly salary of private sector pharmacists. The duties described above are common in the practice of pharmacy, with the possible exception of drafting a report on the consultations. Based on the experience of Department pharmacists, it is estimated that it will take, on average, 1.5 hours to complete all duties. The Department determined that the average private sector pharmacist earns about \$45.00 to \$55.00 per hour, which extrapolates to \$75.00 for 1.5 hours of work. [1]

[1] See Cognet-X Inc. Press Release. Aug. 23, 2005 (average salary for managed care pharmacists is \$100,000-\$109,999 in 2004). See also:

[www.payscale.com/research/US/Job=Pharmacist/Salary](http://www.payscale.com/research/US/Job=Pharmacist/Salary) [www.uspharmd.com/student/Pharmacist\\_Salary.html.html](http://www.uspharmd.com/student/Pharmacist_Salary.html.html)