Opportunities for Improved Health Service Delivery
Healthcare Commission Ideas for Governor Freudenthal
June 29, 2005

Expand and Promote PharmAssist

1) What is the problem?

a) Prescription drugs are expensive.
b) Many patients currently taking brand name, expensive medications can be safely switched to other, less expensive brand name drugs or to generic drugs, generating significant cost savings.
c) Patients seeing multiple physicians and taking a long list of medications are frequently taking duplicate medications or medications that are contra-indicated. A yearly or twice yearly review of their medications often results in a simplified pharmacy treatment regimen, better outcomes and lower cost.

2) Describe your ideas.

a) The PharmAssist program currently operated in the Department of Health and open to the general public should be promoted to a much greater degree via a public via a public awareness campaign, and the staff should be expanded to accommodate the increased call volume.
b) Target the promotional campaign to the providers – specifically physicians and community pharmacists - in hopes that they will identify the individuals who could take advantage of this service and direct them to the program.
c) Employers providing health benefits to their employees should be encouraged via a public awareness campaign to take advantage of this service to lower their pharmacy claims cost.
d) Beneficiaries of State sponsored health programs that are high utilizers of pharmacy services can be identified via the WHIN database and proactively contacted to ensure they have on-going review of their medications.
e) State employees could also be made aware of this service via pay-roll stuffers and/or e-mail blasts.
f) All existing PharmAssist clients and any new clients should be proactively contacted via phone call and letters every six months to update their profile and evaluate program outcomes.

3) Who are your partners?

a) The School of Pharmacy at the University of Wyoming – Initial point of contact for clients calling PharmAssist.
b) The State of Wyoming Department of Health – Pharmacy Division – administers the PharmAssist program.
c) Community pharmacists who provide client counseling in the communities.
d) Employers who can encourage their employees to take advantage of the service.

4) Please provide supporting evidence and data for the proposal.

a) Of the clients served in the last half of 2004, the PharmAssist program had potential savings of up to $411/month for individual clients ($4,932/year). Actual savings reported by the clients averaged $78/month or $936/year. The difference between potential and actual is based on changes that could have been made, but were not due to the physician or patient deciding against a recommendation from the pharmacist.
b) The PharmAssist program does not currently have the ability to do proactive outreach or track clinical outcomes.

5) Funding/Staffing needs.

a) The current program manager is currently spending at least 50% of her time doing data gathering and analysis work for Medicaid clients. That function would need to be off-loaded so that she could dedicate all of her time to managing the PharmAssist program including the creation and execution of a public awareness campaign.

b) The PharmAssist program would also need 1 FTE administrative person to manage the paper flow, including tracking and expanding the contracts with community pharmacists (currently have 33 who provide services) and contracts with clients.

1 FTE data analyst @ $18/hour = $37,440 or $52,416 with 40% benefit load
1 FTE administrative assistant @ $10 = $20,800 or $29,120 with a 40% benefit load
Public Awareness campaign @ $250,000
TOTAL COST = $331,536

ROI – If the program has, on average, actually saved individuals just under $1,000 per year in out of pocket expenses, it would only need to serve an additional 332 clients to meet a break even point for overall health spending in the state. Note that in its first six months of operation (July 04 – December 04) the program served 93 individuals.

6) Who is better off and how could you measure the improvement?

a) Using WHIN data, the State can track the current number of state beneficiaries with polypharmacy issues (> 6 prescriptions) and monitor the change over time in both the volume of polypharmacy beneficiaries and the pharmacy costs of those beneficiaries.
b) Those enrolled in the various health plans, including SCHIP, Medicaid and the State Of Wyoming Employee's plan could benefit from lower prescription drug prices and improved outcomes
c) The State of Wyoming would benefit by spending less on drugs through its various healthcare programs (Medicaid, SCHIP, corrections, workers compensation, etc.)
d) Employers and the general public, if aware of this program and willing to take advantage of it, could also experience significant cost savings and better health outcomes.

7) Could this proposal be included in the Children and Families Initiative?

a) Yes – the cost savings should result in making prescription drugs more affordable to many Wyoming residents, resulting in increased compliance with prescription drug regimens and better health outcomes for children and adults.

8) Potential drawbacks and political considerations.

a) As a voluntary participation program, we see no negative drawbacks or political considerations other than the increased funding requested.
b) Those who lobby for the pharmaceutical manufacturers might be opposed to this initiative if they see it as a threat to their newest, most costly products.
c) Savings in the State Employees Health Plan could potentially offset the increased funding for this program if the proactive program to identify those employees with poly-pharmacy issues is successful.
d) There is a need for prospective and careful communication between physicians and pharmacists if this program is broadened. Physicians are barraged with suggestions from insurance companies on appropriate medication, and some view it as "pharmacists practicing medicine."

9) Alternative possibilities.

a) Spend less on the public awareness campaign and build the program more slowly.
b) Spend more on the public awareness campaign and build the program more quickly.
c) Provide compensation to the community pharmacists who are currently providing this service free of charge. They are willing to do it for free partly as a community service and partly as a marketing effort for their pharmacy. Compensation might encourage more to join the program.
d) Require the State Health Plan administrator and/or the SCHIP program administrators to conduct PharmAssist-like programs for their beneficiaries.