Patient Assessment & Critical Thinking Skills
Hospice Pharmacotherapy 101

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Disclosure

- I have no relevant financial relationships with manufacturers of any commercial products and/or providers of commercial services discussed in this presentation.
- I am employed by Optum Hospice Pharmacy Services.
- This discussion may include the use of medications for off-label indications.
Learning Objective

1. Describe the four key pillars that contribute to pharmacy costs

2. Identify common diagnoses in hospice and the symptoms associated with each one

3. Discuss strategies on critical thinking for symptom management

Today’s Journey

• Operations Journey
  – Focus on pharmacy costs and workflow

• Clinical Journey
  – Focus on clinical thought process around medication management
Operations Journey

The Four Pillars

- Patients
- Prescribers
- Pharmacies
- Medications
As you begin your journey into managing pharmacy costs, it is often easiest to think about three of the pillars and their relationship to each other.

Patients Pillar
- In context of the four pillars, these will be patient level expenses
- Example: Mary Smith and John Doe
Prescribers Pillar

• In context of the four pillars, these will be expenses originating from a unique prescriber.

• Example: Dr. John Jones and Dr. Kathy Stevens

Medications Pillar

• In context of the four pillars, these will be medication/therapeutic classes.

• Example: Acetylcholinesterase Inhibitors and COPD medications
Pharmacies Pillar

Ancillary Services

Pharmacies

Preferred/Non-Preferred

Other Pharmacy Services

Desire to Manage

Measureable?

Yes

Do you want to manage?

No

Do you not care to manage?
**Terminology**

- **Total Costs**
  - “Foundation number”. Pricing has volatility so beginning at the foundation "all in" numbers can provide stability
  - Example: Delivery Costs up 5%!!!
  - However overall spend was down 3%

- **Average cost per prescription**
  - Good indicator of overall medication purchasing practices. In general you want this number to be trending downward or stable as it’s directionally connected to costs

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**Terminology**

- **Average number of prescriptions per Patient/Month**
  - This marker is used to evaluate if a hospice is buying the number of prescriptions appropriately for patients.
  - Example: Avg Rx/Patient = 14 High
  - This could possibly indicate the hospice is buying too many medications or their fill cycles are too short

- **Generic fill rate**
  - Generic fill rate is important since in hospice it contributes to such a large percentage of prescriptions purchased. Generics are generally more cost effective.
  - Example: Generic fill = 90%
**Terminology**

- **Formulary Adherence**
  - Formularies are designed to allow for cost containment and education. In general, a higher adherence to a formulary will yield cost savings.
  - Adherence in hospice can be viewed differently. How a hospice uses a formulary for cost controls should be layered with your prior authorization process (PA).
    - Example: Formulary Adherence = 85%

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**Hospice Growth Strategy**

Managing these two variables contribute to organizational growth.

- Patients
- Length of Stay
Example

• Hospice A
  – ADC = 6
  – Patient Days = 180
  – Avg Cost/Rx = $24.00
  – Avg Number Rx/Patient = 7

  Estimated CPPD Calculation =
  6*7*24 = $1,008.00 / 180 = $5.60 CPPD

Example

• Hospice A
  – ADC = 6
  – Patient Days = 180
  – Avg Cost/Rx = $24.00
  – Avg Number Rx/Patient = 7

  So what if the Avg Cost/Rx Increase?

  Estimated CPPD Calculation =
  6*7*39 = $1,638.00 / 180 = $9.10 CPPD
Example

- Hospice A
  - ADC = 6
  - Patient Days = 180
  - Avg Cost/Rx = $24.00
  - Avg Number Rx/Patient = 7

Estimated CPPD Calculation = 
6*7*24 = $1,008.00 / 90 = $11.20 CPPD

So what if your length of stay decreases?

Understanding the Prior Auth Process

- Gate Keeper Model
  - This model is designed to force change at the time of admission or during medication ordering
  - Pro’s:
    - Prevents the medications from every paying, controlling costs
  - Con’s:
    - Labor intensive
    - Requires upfront change
Understanding the Prior Auth Process

• Backend Reporting Model
  – This model is designed to allow essentially everything through, however understanding that change will occur via the interdisciplinary team
  – Pro’s:
    • Easy, less upfront change
  – Con’s:
    • Require accountability with reporting to make changes

Choosing the Ideal Prior Auth Process

• The ideal process may look different to each hospice, however a combined approach to reporting and gate keeping seems to be ideal
Managing Reporting

• Managing reporting can be complex
• First rule of thumb is to establish your “buckets”

**Administration & Trending**
- Focus should be on operational excellence
- Financial excellence

**Patient Care**
- Focus on actionable data that can be used in interdisciplinary meetings
- Doesn’t have to focus on trending
- “Needles in the Haystack”

Balancing Relatedness & Refills

- Diagnosis vs. Prognosis
- Medication Relatedness
  * Medication appropriateness balance

Hospice Pays

Hospice Stops
### Balancing Relatedness & Refills

#### Refill Example
- **Mary Smith**
  - COPD, avg LOS three (3) months
  - Advair; avg price $300.00/Rx

<table>
<thead>
<tr>
<th>Two Refills</th>
<th>Zero Refills</th>
</tr>
</thead>
<tbody>
<tr>
<td>$300.00</td>
<td>$0.00</td>
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<td>$300.00</td>
<td>$0.00</td>
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</tbody>
</table>

Total Spend: $900.00
Two Refills
Mary Smith CPPD = $900/90 days = $10.00

Total Spend: $300.00
Zero Refills
Mary Smith CPPD = $300/90 days = $3.33

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### Balancing Relatedness & Refills

#### Refill Example
- **Hospice ADC = 100**
- 20 COPD – 20%
- Med Manag; avg price $300.00/Rx, each patient has 2

<table>
<thead>
<tr>
<th>Two Refills</th>
<th>Zero Refills</th>
</tr>
</thead>
<tbody>
<tr>
<td>$12,000.00</td>
<td>$6,000.00</td>
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<tr>
<td>$12,000.00</td>
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<tr>
<td>$12,000.00</td>
<td>$6,000.00</td>
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</tbody>
</table>

Total Spend: $36,000.00
Two Refills
COPD CPPD = $36,000/1,800 days = $20.00

Total Spend: $24,000.00
Zero Refills on 50%
COPD CPPD = $24,000/1,800 days = $13.33

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Review the BUILD Model:
Action Plans

Managing Within The Patient Pillar

Management Strategies:

- Top 5 Patients, sorted by costs
- IDG Meeting Review with Medical Director
- Prior Authorization Management
- Refill Management
Managing Within The Prescribers Pillar

Management Strategies:

- Review Prescribers Impact
  - % of Rx’s Written
  - % of Rx’s Cost

Examples:
- Dr. Jones prescribed for 30% of patients cared for and accounted for 28% of costs
- Dr. Smith prescribed for 5% of patients cared for and accounted for 70% of costs

Medical Director In-Service or DUE

Managing Within The Prescribers Pillar

Management Strategies:

- Review CPPD by Diagnosis
- Sort therapeutic classes or drug classes by costs and impact

Examples:
- COPD CPPD = 11.80
  - Inhalers driving costs up
- Dementia CPPD = 3.94

Targeted Initiatives
Management Strategies:

- Depending on pharmacy arrangement you may or may not have preferred/non-preferred pharmacies

Example:
- One pharmacy who charges 15% for medications without supporting services

Management Strategies:

- Ancillary services are typically defined as delivery, courier, blister packing, signature requirements for CII’s etc

Example:
- Delivery practices shed light on care planning practices
  - Mary Smith got 12 deliveries in 1 week
Pharmacies Pillar

Management Strategies:

- Other pharmacy services are typically defined as infusion services and inpatient services.

Examples:
- Infusion per diem management
- Automated Dispensing Machines (Omniceell or Pyxis)

The Four Pillars

- Patients
- Prescribers
- Medications
- Pharmacies
Let's begin by breaking our diagnoses into buckets:

- Cancer
- Pulmonary
- Cardiovascular
- Stroke/Coma
- Liver
- Renal
- Neuromuscular
- HIV/AIDS
- Dementia
- Other/Unclassified
Clinical Journey

- For each diagnosis you encounter contemplate 2-3 common symptoms
  - Example:
    - Ovarian Cancer
      - Nausea and Vomiting
      - Constipation
      - Obstruction
    - Brain Cancer
      - 
      - 
      - 

Clinical Journey

- For each diagnosis you encounter contemplate 2-3 common symptoms
  - Example:
    - Congestive Heart Failure
      - 
      - 
      - 
    - Liver Failure
      - 
      - 
      - 

Clinical Journey

• For each diagnosis you encounter contemplate 2-3 common symptoms
  – Example:
    • Renal Failure
      ❑
      ❑
      ❑
    • COPD
      ❑
      ❑
      ❑

Clinical Journey

Heart
Cancer
Liver

Comfort Medications
Comfort medications identified often represent the foundation of things like:

- Comfort Care Kit or Admission Orders
- Standing Orders
- Treatment Protocols

Common Admission Comfort Medications:

- Morphine Liq
- Lorazepam Tabs
- Haloperidol Tabs
- Hyoscyamine SL or Atropine Drops
- Acetaminophen RS

Clinical Journey

• Cases:

  – Case 1: Mary
  – Case 2: Ellen
  – Case 3: John
Questions?

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