Overcoming Barriers to Adding Specialty to your Home Infusion Model

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1. Disclosure of Relevant Financial Relationships

I have the following financial relationships to disclose:
Ownership Interest: Rhythm Group, LLC

2. Disclosure of Off-Label and/or investigative Uses

I will not discuss off label use and/or investigational use in my presentation
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- Co-Founder & CEO – STACK
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- 10+ years in specialty pharmacy
- Adjunct Professor: Master of Pharmacy Business Administration (MPBA) program, University of Pittsburgh
- Editorial Board: Specialty Pharmacy Times
  - Certified Specialty Pharmacist
  - ACHC Certified Accreditation Consultant
  - Education Consultant - NASP
Objectives

At the conclusion of this presentation, participants will be able to:

• Describe the definition of “specialty”, its history with home infusion, and where it fits in the continuum of care
• List functional areas of specialty requirements, such as accreditation and reporting
• Explain supply chain and contracting limitations related to specialty product distribution
What products are considered specialty?

- Varies by manufacturer to manufacturer
- Varies from payor to payor
- General definition (1+ of the following criteria):
  - Treats chronic condition
  - Specialist-initialized
  - Requires special handling (cold-chain)
  - Costs in excess of $670/month per patient
  - Restricted distribution
  - Biotech product
  - Injectable formulation
  - REMS Program
What is “Specialty” Pharmacy?

• 3/1/2016 – National Association of Specialty Pharmacy (NASP) Definition
  • State-licensed & accredited by third parties
  • Provide medications for patients with serious health conditions that require complex therapies
  • Provide services for patients including proper medication use, comprehensive treatment assessment, monitoring, and frequent interaction
  • Improve adherence and appropriate medication use
Specialty Populations

- Oncology
- HIV/AIDS
- Rheumatoid Arthritis
- Multiple Sclerosis
- Hepatitis C
- Hemophilia

- Pulmonary Hypertension
- Immune Deficiency
- Lysosomal Storage Disorders
- Other Rare/Orphan Diseases

- Note: many populations overlap with traditional Home Infusion Business!
Areas for Specialty Differentiation

- Accreditation
- Technology
- Reporting Requirements
- Restricted Distribution
- Closed/Narrow Network Payers
- Inventory Control

NHLA
Summer Education Series
Accreditation Programs

Specialty Pharmacy Focused
URAC

"Gold Standard" for Specialty Pharmacies

472 SP with full accreditation (up from 367 last year)

Focus on key measures

50 unique programs overall
URAC

Mandatory measures (5)

Call Center Performance
Dispensing Accuracy
Distribution Accuracy
Turnaround Time for Prescriptions
Treatment of Chronic Hepatitis C: Completion of Therapy
URAC

Exploratory measures (7)
- Drug-Drug Interactions
- Proportion of Days Covered (PDC)
- Adherence to Long-Acting Inhaled Bronchodilator Agents in COPD Patients
- Adherence to Non-Infused Biologic Agents to Treat Rheumatoid Arthritis
- Adherence to Non-Infused Disease-Modifying Agents Used to Treat Multiple Sclerosis
- Fulfillment of Promise to Deliver Primary Medication Non-Adherence (PMN)
- Consumer Experience with Pharmacy Services
ACHC
CMS Deeming Authority (w/DMEPOS)
Focus on structure in relation to application of services
876 locations with full accreditation (up from 505 last year)
ACHC
Standards for Accreditation
   Organization & Administration
   Program/Service Operations
   Fiscal Management
   Human Resource Management
   Provision of Care & Record Management
   Quality Outcomes / Performance Improvement
   Risk Management: Infection & Safety Control
Similar Standards, more wholistic

- Organizational Infrastructure
- Access to Medications
- Clinical & Patient Management Services
- Quality Improvement

99 locations fully accredited (up from 76 last year)
Digital Pharmacy Accreditation

Formerly known as VIPPS
Online Presence Focused
74 locations accredited (up from 64 last year)
Recommended for "safe" purchase of prescription medications
As of 6/1/15, easier access for .pharmacy domains
Drug Distributor Accreditation

Formerly known as VAWD

Wholesaler Focused

Validate ability to safely hold and wholesale products on behalf of manufacturers

24 states recognize accreditation

661 facilities nationwide
The Joint Commission

No "Specialty Pharmacy" certification specifically
"Home Care"

Focus on overall patient care & outcomes
The Compliance Team

Deeming Authority

Specialty Pharmacy-focused program

Historically DMEPOS, LTC
Areas for Specialty Differentiation

ACCREDITATION  TECHNOLOGY  REPORTING REQUIREMENTS
RESTRICTED DISTRIBUTION  CLOSED/NARROW NETWORK PAYERS  INVENTORY CONTROL
Technology

Specialty Pharmacy
Focused
Why Technology?

• Claims Adjudication
• Referral Management
• Documentation of Patient Management / Care Programs
• Data Extraction / Aggregation
• Patient Engagement
Areas for Specialty Differentiation

ACCREDITATION
TECHNOLOGY
REPORTING REQUIREMENTS
RESTRICTED DISTRIBUTION
CLOSED/NARROW NETWORK PAYERS
INVENTORY CONTROL
Reporting Requirements & Data

Specialty Pharmacy Focused
Why Data in Specialty?

• Visibility
  • Prescribers / habits
  • Regional distribution of lives
  • Patterns
  • Health plan acceptance / cost / benefit structure

• Outcomes / Care Management
  • What happens when...
  • What types of interventions?
  • How well did they work?
  • What types of Side Effects?

• Contractual performance
Blue: Hyperlipidemia (102M patients)

Orange: Rheumatoid Arthritis (1.5M patients)

Green: Spinal Muscular Atrophy (10,000 patients)
Areas for Specialty Differentiation

- Accreditation
- Technology
- Reporting Requirements
- Restricted Distribution
- Closed/Narrow Network Payers
- Inventory Control
Restricted Distribution

Narrow Networks

Inventory Control
Distribution Networks

- Availability of product driven by setup of “network”
  - Open Network
  - Specialty Network
  - Limited Distribution Network
  - Exclusive Distribution Network
- Maintaining the “Patient Journey”
- Better manage cost within the system
- Contractually managed
Specialty Drug Channel Strategies

Open Channel

Limited

Exclusive
Closed/Narrow Network Payors

- Similar to inventory restriction, ability to maintain patient experience while on product
- Patient specialty utilization = investment
- Contractually managed
- Restrictions based on areas discussed thus far
- Cost control (lower reimbursement/margins)
Inventory Control

- Manufacturing Control
  - Predictive utilization
  - Shared facility
- Cost-reduction
  - Direct purchasing / wholesaler removal
- Patient Journey Maintenance
Summary

Several key areas where home infusion & specialty can overlap
Structural framework may already be in place
Business decision to determine if crosswalk of service areas right for you
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