

<u>Prescription Medication Misuse Interim Committee</u> "What does your organization propose doing to contain the cost of, provide access to, and improve the quality of prescription drugs?"

Prescription Medication Misuse is a growing cause for concern in Iowa and across the US. Poor adherence to medications causes approximately 125,000 deaths nationally each year, and costs at least \$75 billion annually. When used safely, medications contribute to better health and to a longer, greater quality of life. However, misuse of medications can interfere with desired treatment and cause harmful reactions. At least 1.5 million preventable adverse drug events occur in the United States each year; these incidents include cases of drug mix-ups and unintentional overdoses.

Drug therapy is cost effective when used appropriately. Reducing the number of medicationrelated problems can improve patient outcomes and reduce the costs associated with treating the results of suboptimal medication use (e.g., drug interactions, adverse events, non-adherence). Because of pharmacists' unique role as experts in medication use, combined with their ongoing contact with patients, there has been an increased awareness of pharmacists' ability to improve the use of medications. Research studies have demonstrated that when pharmacists are involved in patients' care by helping them monitor and manage their medications, improvements are reported in medication use, overall patient care, and clinical and humanistic outcomes, and overall costs to the health care system are reduced.

Medication Therapy Management (MTM) is one important way in which cost can be reduced and quality improved. The mission of MTM is to optimize therapeutic outcomes through improved medication use and to reduce the risk of adverse events. Most frequently, MTM is provided to patients who are taking four or more medications for chronic conditions. The evolution of pharmacist provided MTM began here in Iowa, with the Medicaid Pharmaceutical Case Management (PCM) Program in 1999. This program has demonstrated that pharmacists in community settings working in collaboration with physicians improves patient care and reduces overall health care costs. Congress also recognized the value of pharmacists in a variety of settings when they included MTM as a required component of all Medicare Part D plans. Additionally, Congress has included pharmacists provided MTM services in all 5 versions of health care reform bills currently under review.

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PCM has evolved over the past 10 years and today, more and more programs – particularly those that consider health care costs in aggregate rather than those that focus on the costs of prescription drugs alone –are exploring opportunities to maximize the value of pharmacists to address covered populations. A diverse set of payers, including self-insured employer groups, commercial insurers, managed care organizations; health maintenance organizations, state Medicaid programs, and other government health programs have established medication therapy management programs. As these programs continue to demonstrate encouraging returns on investment (ROI), more payers are recognizing pharmacists' value and are beginning to experiment with strategies to assess and measure this value. Here in Iowa, Wellmark Blue Cross Blue Shield is conducting a pilot project called the "Collaboration on Quality (CoQ)". The CoQ program is utilizing pharmacists working in collaboration and within physician offices to manage patients with multiple medications and disease states to lower health care costs.

Effective management of medication therapy requires the cooperation by all members of the healthcare team. Physicians, pharmacists, nurses, and other healthcare providers need to collaborate to ensure that patients understand their health conditions, the risks versus benefits of suggested treatments, and the need to take an active role in managing their condition. Establishing and maintaining strong partnerships between healthcare providers and patients is crucial to reducing the risk of medication errors and medication misuse.

The current payment system for pharmacy services is a broken system, which is focused primarily on purchasing drugs cheaply. Pharmacists have the skills needed to evaluate patients' medication regimens relative to their disease status but the payment model acts as a barrier to provide quality patient care. Greater focus needs to be directed towards achieving positive outcomes for patient medication therapy, thereby producing a more positive return for our investment in pharmaceuticals. MTM is one way pharmacists' expertise could be better utilized. Intervention by the pharmacist as a member of the healthcare team can be of significant help in eliminating unnecessary costs by improving medication use.

Ten years ago, the lowa Medicaid Program was the first in the nation to recognize the significant role a pharmacist can have in managing medications to reduce healthcare costs by creating a reimbursement system for pharmacists to provide these services to eligible patients, identified by their prescriber. Senator Grassley introduced the program to Congress and has since implemented a reimbursement system within Medicare Part D for MTM. Iowa has long been a national leader on healthcare payment reform. Expanding reimbursement methods for pharmacist provided MTM services within the private sector has the potential to create significant cost savings and enhance patient care.

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