

## TESTIMONY OF THE AMERICAN SOCIETY OF HEALTH-SYSTEM PHARMACISTS

January 17, 2023

Mr. Chairman and Members of the Committee:

I am Tom Kraus, Vice President of the American Society of Health-System Pharmacists (ASHP). ASHP is the collective voice of pharmacists who serve as patient care providers in hospitals, health systems, ambulatory clinics, and other healthcare settings spanning the full spectrum of medication use. The organization's more than 60,000 members include pharmacists, student pharmacists, and pharmacy technicians. For more than 80 years, ASHP has been at the forefront of efforts to improve medication use and enhance patient safety.

### **Why Is Comprehensive Medication Management Needed?**

The risk of medication problems is greatest when patients are:

- 1) Suffering from **multiple diseases**, being treated by **multiple physicians**
- 2) **Transitioning from one setting of care to another**, such as a recent discharge from the hospital
- 3) Being treated for **complex diseases** that require multiple medications and may require balancing clinical goals with patient costs and quality of life

ASHP Fellow, Rita Shane has identified that “each of these situations can contribute to **overuse** of medications that don't improve health and may cause harm, **underuse** of critical drugs needed for acute or chronic health problems; or **misuse** of medications such as opioids.”<sup>1</sup> Any one of these challenges can lead to higher cost and worse outcomes.

To optimize a patient's medication use, each medication should be individually assessed to determine that it is appropriate for the patient, effective to treat the medical condition, and safe given the patient's comorbidities and other medications being taken. This is a multi-step, team-based process that requires collaboration between a clinical pharmacist, the treating

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<sup>1</sup> Shane R. The Problem: Starting or Continuing Medications Without a Comprehensive Evaluation of the Patient's Health Issues and Medications. (<https://gtmr.org/blog-the-problem>)

physicians, and the patient. Once a care plan is developed to address the recommended changes, the team provides follow-up evaluations to monitor clinical goals and outcomes while reassessing personalized goals of therapy.

House Bill 1095 ensures that patients will have access to exactly that type of care.

### **H.B. 1095 Implements a Key Recommendation of the ND Health Care Cost Study**

North Dakota's Health Care Cost Study, commissioned by the Insurance Department, specifically identified the need for medication optimization as a tool to control healthcare costs for North Dakotans. The Cost Study identified that improved medication management represents "***a major opportunity for cost savings and health improvement.***" The Cost Study goes on to indicate that, "If addressed appropriately, the state can reasonably expect to see lower hospital-related utilization and substantial cost savings." That has been the result where comprehensive medication management has been implemented.

### **Comprehensive Medication Management Yields Positive ROI and Improved Outcomes**

The Cost Study highlighted research demonstrating that "[the] data from the delivery of this service are positive, with a demonstrated return on investment (ROI) as high as 12:1 with an average of 3:1-5:1. ROI reflects an ability to decrease hospital admissions, physician visits, and emergency department admissions and reduce the use of unnecessary and inappropriate medications."<sup>2</sup>

Studies of comprehensive medication management services have consistently shown that when these services are integrated in team-based care, therapeutic goals are achieved more consistently, costs decrease, and the patient and provider experience improves.

### **Case Study: Minnesota's Experience with Team-based Medication Therapy Management**

#### **Reduced Costs<sup>3</sup>**

- Total health expenditures decreased from \$11,965 to \$8,197 per patient.

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<sup>2</sup> <https://www.accp.com/docs/positions/misc/CMM%20Brief.pdf>

<sup>3</sup> Brummel A, Westrich K, Evans MA, Plank GS, Penso J, Dubois RW. Best Practices: Improving Patient Outcomes and Costs in an ACO Through Comprehensive Medication Therapy Management. *Journal of Managed Care and Specialty Pharmacy*. 2014(20):12.

- 12:1 ROI when comparing the overall health care costs of patients receiving team-based medication management to patients who did not receive those services.

#### **Decreased hospital readmission rates<sup>4</sup>**

- Patients who received comprehensive medication management after hospital discharge had significantly lower readmissions rates.

#### **Improved Patient Care<sup>5</sup>**

- 85% of patients had at least one medication therapy problem identified.
- Of those, 29% had 5 or more problems identified.

#### **Improved patient experience<sup>5</sup>**

- 95.3% of patients agreed or strongly agreed that their overall health and well-being had improved because of team-base medication management services.

#### **Improved provider experience<sup>6</sup>**

- Physicians reported increased satisfaction that their patients were receiving better care and highlighted increased achievement of quality measures.
- Primary care providers reported improved workload and less mental exhaustion.

The extensive evidence of improved patient outcomes, cost savings, and patient and physician satisfaction from comprehensive medication management is too long to be included in this testimony. To support the Committee’s understanding of the impact of these services, I have attached a more extensive summary of research, gathered by the Get the Medications Right Institute.

### **Comprehensive Medication Management Builds on Programs to Improve Medication Use**

The Cost Study recommends that a medication optimization program should “allow consumers to have a comprehensive review of all their prescription drugs to assure that the consumer is on the correct dosages of the correct medications, and to review any unfavorable drug interactions....Hospital systems, physicians, and pharmacists should routinely discuss

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<sup>4</sup> Budlong H, Brummel A, Rhodes A, Nici H. Impact of Comprehensive Medication Management on Readmissions Rates. *Population Health Management* 2018; 21(5):395-400.

<sup>5</sup> Ramalho de Oliveria D, Brummel AR, Miller DB. Medication therapy management: 10 years of experience in a large intergerated health care system. *Journal of Managed Care Pharmacy* 2010; 16(3):185-95.

<sup>6</sup> Funk K, Pestka D, McClurg M, Carroll J, Sorensen T. Primary Care Providers Believe That Comprehensive Medication Management Improves Their Work-Life. *Journal of the American Board of Family Medicine*. 2019; 32(4):462-473.

medication optimization with their patients. Patients with multiple conditions should regularly have their medications reviewed in order to ensure patient compliance, drug interactions, and changing medical history.” ASHP agrees with these statements. Unfortunately, existing programs implemented by most insurers do not achieve these goals. While payer-led population-level tools are helpful, individualized medication management cannot be effectively delivered solely by reviewing claims, or from a call center, or by an IT tool. Medication management requires direct engagement with the pharmacist, the treating physicians, and the patient. H.B. 1095 improves on existing offerings to ensure patients consistently receive comprehensive medication management services that are appropriately designed to achieve the cost savings and quality improvements envisioned in the Cost Study.

### **Comprehensive Medication Management is Truly Team Based**

The role of the pharmacist in comprehensive medication management is to identify medication problems and therapeutic goals, work with the physician team and the patient to resolve problems, and execute the medication changes agreed to by the team. It is not intended to allow the pharmacist to independently treat patients. H.B. 1095 makes clear that the legislation does not modify pharmacists’ scope of practice.

### **Credentialing and Inclusion of Pharmacists in Provider Networks Is Not a Barrier to Implementation**

Medication management is a medical service, not a drug benefit. In order to provide that service, there must be a mechanism for insurers to reimburse the care team for clinical services provided by pharmacists.

For pharmacists working in facilities like hospitals and rural health clinics, B.H. 1095 specifically recommends that insurers rely on the credentialing that is already being done by the facility. Insurers already have contract relationships with facilities to reimburse them for services provided by members of their care teams. Insurers may also be able to simplify billing by allowing physicians to submit bills for medication management services provided by pharmacists on their care team.

Outside of facilities, insurers already have relationships with independent community pharmacists and rely on them to deliver essential pharmacy services to North Dakotans. It is appropriate to pay these pharmacists directly for clinical services they provide.

### **Insurers Should Ensure Adequate Inclusion of Pharmacists in Networks**

Delivering comprehensive medication management services requires direct engagement from a pharmacist with the patient and their care team. This is a different service than dispensing medications. Simply having an existing network of pharmacies to dispense medications does not ensure that patients will have access to the clinical services of pharmacists that are essential to the implementation of medication management. Network adequacy requirements help to ensure that plan beneficiaries will have sufficient access to pharmacists contracted to support this type of care.

As the North Dakota Health Care Cost Study indicated, “There is no reason insurers shouldn’t be deploying these resources to the comorbid populations.”

The American Society of Health-System Pharmacists strongly supports House Bill 1095.