Objectives

1. Identify emerging trends in healthcare that will continue to drive changes in the design and delivery of pharmacy services.
2. Review ASHP's Pharmacy Practice Model Initiative and how it can be used to facilitate change within your health system.
3. Reflect on lessons learned through the management of change in the pharmacy services provided at two different health systems in Massachusetts.

Market Trends

1. Increased pressure on quality and satisfaction
   - Process Measures
   - Outcome Measures
   - Patient Experience
2. Reduction in volumes and reimbursement
3. Population-based global payment

Market Trends

1. Increased pressure on quality and satisfaction
2. Reduction in volumes and reimbursement
   - Hospitals are the highest cost setting for healthcare management
   - Incentive to avoid the need for an admission
   - Observation patients cost the same but reduce reimbursement
3. Population-based global payment
Market Trends

1. Increased pressure on quality and satisfaction
2. Reduction in volumes and reimbursement
3. Population-based global payment
   - Provide all healthcare needs to an assigned patient population
   - Configure health systems to address all healthcare needs
   - Control costs versus generate revenue

Priorities for Pharmacy Practice

1. Redefine ourselves as drivers of quality and satisfaction
2. Recommit ourselves to managing cost and outcomes
3. Stretch beyond the inpatient encounter

Priorities for Pharmacy Practice

1. Redefine ourselves as drivers of quality and satisfaction
   - Process and outcome measures
   - Patient experience / customer service
2. Recommit ourselves to managing cost and outcomes
   - We should hope to retain the resources we currently have
   - How do we prioritize and configure to make the greatest impact
3. Stretch beyond the inpatient encounter

Expectations Continue to Rise

- All of us are being asked to do more
- At best, we are allowed to do more with the same
- Many organizations will be asked to do more with less
Tufts Medical Center Experience

Tufts Medical Center Demographics

Department of Pharmacy Overview

• Ambulatory
  - 360,000 clinic visits per year
  - Presence in GM, Tx, HF

• Infusion Center
  - 17 chairs
  - Standard and Experimental

• Outpatient Pharmacy
  - 2 operation locations
  - General and Specialty

• Acute Care

Acute Care Services

• 5 Service Teams
  - Cancer, Critical Care, Med/Surg, Pediatrics, Central/SPA
  - 2 to 3 pharmacists per team on day shift
  - 1 to 2 pharmacist per team on evenings, weekend days

• Specialists in areas of high risk / cost / volume
  - BMT, Solid Organ Transplant, ID, Gen Med, MICU, HF, PICU, NICU, Pedi Hem/Onc
  - Specialists are also key to integrated practice model

Department Goals as We Started Our Journey

1. Expand role of pharmacy technician with one technician per pharmacy service team
2. Increased medication safety through adoption of ISMP recommendations
3. Pharmacist-led patient education program to support transitions in care efforts
4. Expand outpatient services to increase contribution margin by 9.5%
5. Increase employee engagement and satisfaction with 20% reduction in turnover

Vision Statement

Members of the Tufts Medical Center Department of Pharmacy Services are sought after for their expertise and are accountable for medication therapy outcomes, providing the best possible care for every patient, every time.
Pharmacy Councils

Pharmacy Practice Advancement
To design and implement activities that allow pharmacists to extend their scope of practice and maximize their contributions to patient care.

Technician Advancement
Utilize technicians as an integral member of each service team to manage the medication use system, increase the capacity of pharmacists.

Operations Improvements
Optimize coordination between central operations and procurement to gain efficiencies and realign resources for decentralizing technicians.

Training and Development
Account for training needs as staff assume new responsibilities. Formalize structured programs to facilitate new employee and annual training.

Utilized ASHP’s PPMI as Our Play Book

1. Leverage automation and technology
2. Advance the roles of technicians
3. Pharmacists expand scope and become accountable for outcomes
4. Position the department for appropriate visibility and influence within the organization

Advancing the Roles of Technicians

D9: Are all distributive functions that do not require a pharmacist’s clinical judgment assigned to technicians?

D3m: Is the management of pharmacy information technology systems, including routine database management and billing systems, assigned to technicians?

E4e: Have pharmacy technicians responsibilities been expanded to the extent possible based on education and training at your hospital?

Expanding the Scope of Practice

B23k: Is medication reconciliation performed by the pharmacy staff at your hospital?

E4o: Have you expanded your capacity for residency training where possible?

Summary of Our Actions

Updated vision statement
Formed “shared governance” councils
Leveraged automation allowing technician deployment
Technicians in Informatics, Automation, PA, Contract
Added residents to expand medication reconciliation
Changed reporting line from VP to SVP/CNO to CMO

Future Initiatives for Tufts MC

Gain additional efficiency via optimization of our information systems
Pharmacy students role to further expand patient interviews and medication reconciliation
Establish the role for pharmacists in care transitions including our role in the Medical Home
Determine best approach for providing pharmacy services and prescription fulfillment beyond discharge (e.g. home infusion, limited access medications, etc.)
**PHARMACY PRACTICE ADVANCEMENT THROUGH INNOVATION AND INTEGRATION**

Gary J. Kerr
Baystate Health
4/1/14
MSHP Annual Meeting

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**BAYSTATE HEALTH BACKGROUND**

- **Flagship Hospital:**
  - Baystate Medical Center
  - Located in Springfield, MA
  - 720 Inpatient Beds
  - Tertiary Care
  - Level 1 Trauma Center
  - Western Campus of Tufts University School of Medicine (Boston)
  - Disproportionate Share Hospital (DSH)

- **Franklin Medical Center Greenfield, MA**
  - 96 Beds
  - Community DSH

- **Mary Lane Hospital Ware, MA**
  - 31 Beds
  - Rural community non-DSH hospital

- **Baystate Medical Practices**
  - >320 MDs

- **Health New England**
  - DSH/340B program including contract pharmacy and regional cancer services

- **Ambulatory Clinic-Retail/Specialty Pharmacies (6)**
  - >230,000 Rxs Per Year

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**LEARNING OBJECTIVES**

- Identify and describe emerging trends in healthcare that are driving changes in design and delivery of care in outpatient Pharmacy settings

- Understand specific patient-centered revenue-generating Pharmacy programs and services and the associated challenges

- Reflect on lessons learned through the management of change in ambulatory pharmacy services at Baystate Health

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**PHARMACY STRATEGY EVOLUTION: OUR JOURNEY**

- **Several major consultant engagements:**
  - Group Purchasing Organization—Pharmacy-initiated
  - Wholesaler—Pharmacy-initiated
  - General healthcare firm—BH-initiated
  - Ambulatory/Retail/Other—Pharmacy and BH
  - Retail Marketplace w/Pharmacy—Pharmacy and BH

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**GPO ENGAGEMENT (2009)**

- Intentional strategy to validate our progress and work while probing for missed opportunities

- Inpatient-oriented to manpower, operations, clinical services, formulary management and drug expense topics mostly

- Recommendation of note: “No internal marketing of pharmacy exists”

- Example findings: labor and drug expense exceptional, antimicrobial stewardship opportunity, allocation and organization of leader and RPh resources views
WHOLESALEER ENGAGEMENT (2011)

- "Retail pharmacy solutions" team as primary resource
- Quantifying patient traffic and missed prescription capture opportunities: offices, procedures, ED, discharges
- Current state assessment with a focus on the hospital-based outpatient Pharmacy (work flow, automation, etc.)
- On-site work along with table top analytics; less than a year-long assignment
- Recommendations included various levels of wholesaler partnering with on-site pharmacy management for various time ranges and specific capture strategies

GENERAL HEALTHCARE FIRM ENGAGEMENT (2011-12)

- National firm brought in with broad across-hospital aggressive approach
- Primary focus on expense management, including labor and supplies (i.e. drugs)
- Substantial discussion on pharmacy organizational design which had changes already underway
- Validated and quantified our ongoing wholesaler negotiation project/process
- Final results focused on substantial improvements in the primary wholesaler arrangement and completion of the reorganization

AMBULATORY/RETAIL/OTHER ENGAGEMENT (2011)

- Comprehensive analysis of current state and opportunities across the outpatient spectrum: home infusion, retail and specialty, PBM, 340B, mail order
- Pharmacy-centric project with heavy Finance component
- Robust findings and report out document with a focus on sizing the opportunities and weighting the efforts
- Major driver of current 2013-14 activity, especially retail, specialty and 340B integration
- Dramatic changes in Pharmacy organizational design, infrastructure and Pharmacy deliverables

RETAIL PHARMACY AND MARKETPLACE ENGAGEMENT (2013-2014)

- "The Retail Health Care Revolution"
- Conscious commitment to hospital-based retail opportunity assessment including gift shop, food and Pharmacy
- Integrated marketplace concept featuring modernization, makeover of the front store with fitness and health care focus
- Opening a double-sized Pharmacy (3/31/14) and new full marketplace in summer
- Very aggressive revenue and "experience" expectations are in place for both sides of the "store"

CLINICAL PROGRAMS AND SERVICES

- Hospital-based HF discharge counseling by PGY-1 Pharmacy Residents with aims to integrate DC Rx capture strategy
- Transition of care focus, including ED-based medication histories being piloted and increasing Technician/Student roles
- Deployed Pharmacists integrated into antimicrobial and anticoagulant stewardship and med reconciliation
- ISMP Oncology Self-Assessment across BH Cancer program
- Extensive codeine safety work with Pediatric Surgeons following the FDA alert with evolving day stay DC Rx program

AMBULATORY/RETAIL PHARMACY PROGRAMS AND SERVICES: INFRASTRUCTURE

- "Hospital Special Projects and New Business Development Division" formed 1/1/12
- Corporate goal of "revenue diversification"
- Combines Finance, Pharmacy and IT positions in adjoining medical office building suite
- Chief Pharmacy Officer and Acute Care (Inpatient) Director of Pharmacy positions report to Finance and Operations respectively in matrix format
AMBULATORY/RETAIL PHARMACY
PROGRAMS AND SERVICES: RETAIL

- Retail (open access) at strategic high traffic locations
- Children’s Specialty Center also houses the orthopedic surgery center; located in the medical district
- Main hospital BMC Pharmacy targeting over 160,000 annual encounters thru SDS/procedures, ED and Discharges
- Benchmarking reveals HCAHPS score improvement
- Integrated marketplace expected to generate additional traffic and revenue

AMBULATORY/RETAIL PHARMACY
PROGRAMS AND SERVICES: SPECIALTY

- Specialty Pharmacy identified as major strategy through the consultants noting rapid drug expense growth
- Defragmenting care and driving out white-bagging in patient care areas; deployed/embedded liaisons in target areas
- Rigorous adherence and general medication management with extensive analytics components
- Owned business entity based in the community
- Extensive business planning with disease-specific pro formas

EMERGING CHALLENGES TO FULL STRATEGY EXECUTION

- Appropriate funding to support revenue growth and better pharmaceutical care
  - Home medication management-monitoring systems
- Significant ongoing infrastructure demands with the aggressive performance expectations: IT, Finance and Compliance skill sets are critical Pharmacy complements
- Well-developed and evolving business models with ROIs that can be achieved and sustained
- Maintain the focus on program growth and revenue as opposed to expense reductions both labor and drug

QUESTIONS?

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