

“Pharmaceutical care significantly impacts patient outcomes because of the direct effect on a patient’s quality of life. Making the most out of a patient’s remaining days, weeks or months has to be the focus.”

— Mary Mihalyo, PharmD., BCPS
CEO of Delta Care Rx

“Heads, meds, and beds.” Ask any hospice executive to name their most significant costs, and you’ll likely hear some version of that rhyme. Pharmacy services represent one of the three largest cost buckets for hospice providers, and organizations of all sizes constantly seek ways to minimize pharmacy costs while continuing to improve and enhance the high quality of care they provide.

In addition to medications themselves, hospices spend time, effort and money on medication management and reconciliation, data analytics regarding medication utilization, documentation required by the U.S. Centers for Medicare & Medicaid Services (CMS), and accessing support from clinical pharmacists.

With hospice reimbursement based on a per diem model, hospice providers can’t increase their income per patient, so they must rely on creating efficiencies and effective cost management to raise their margins.

But to efficiently manage their pharmaceutical spend, providers have no choice but to try to navigate the complex pharmacy industry.

Charting that successful course begins with the definition of pharmaceutical care itself. The American Pharmacy Association (APHA) definition is both instructive and goal-oriented:

Pharmaceutical Care is a patient-centered, outcomes oriented pharmacy practice that requires the pharmacist to work in concert with the patient and the patient’s other healthcare providers to promote health, to prevent disease, and to assess, monitor, initiate, and modify medication use to assure that drug therapy regimens are safe and effective. The goal of Pharmaceutical Care is to optimize the patient’s health-related quality of life, and achieve positive clinical outcomes, within realistic economic expenditures.

Hospice pharmacy benefit managers, such as Delta Care Rx, shoulder many of the tasks associated with medication management and delivery to help their clients lower costs and improve patient outcomes. This includes competent, efficient medication assessment and management, which becomes particularly important during such high-risk scenarios as transitions of care. This white paper will detail three keys to success in hospice pharmaceutical care.

“Delta Care clinical pharmacists are not only involved in the admission of patients to hospice, we also are involved throughout the hospice patient stay and the ongoing care of the patient,” says Mary Mihalyo, PharmD., BCPS, CEO of Delta Care Rx. “In this role, we interact day in and day out with hospice nurses and physicians and partner with them to optimize pain and symptom management.”

MAXIMIZING HOSPICE MARGINS UNDER THE 2020 WAGE INDEX

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Hospice providers' margins are often very tight, sometimes hovering around 2%.

This reality makes medication management essential to an organization's financial health. The U.S. Centers for Medicare & Medicaid Services (CMS) as of this fiscal year uses the pre-floor, pre-reclassified acute care hospital wage index for 2020 to calculate payment rates. Due to the wage index, the amount of capitated per-diem rates for hospice can vary by geographical region.

"The primary county that we serve in Washington state has one of the lowest reimbursement rates, certainly in the state, if not in the country, and our margins are very tight," Bob Laws, Executive Director, Hospice of the Northwest, Mount Vernon, Wash., says. "Reduced medication costs certainly helps us offer other essential services to patients."

In addition to helping its hospice partners create efficiencies in medication management, Delta Care Rx negotiates with pharmacies supplying its clients for the lowest possible prices, reducing the impact of medication costs on a hospice's bottom line.

"As pharmaceutical costs go up, and hospice Medicare dollars go down, maintaining a better pharmacy cost per patient day is imperative," Judy Bartel, chief clinical officer for Hospice of the Western Reserve in Cleveland, Ohio, says.

A root cause of most medication errors is ineffective communication between health care providers during transitions of care from one health care setting to another, such as a patient being discharged from a hospital and admitted to hospice, a 2018 study indicated.

Seniors and patients with complex medication regimens are among those at the greatest risk for potentially harmful errors associated with pharmaceutical care.

As hospice patients are admitted for care, or subsequently move between inpatient, post-acute and home settings, care transitions can challenge the patient and his or her family members as well as hospice team members.

A vital component of pharmaceutical care for patients anywhere along the advanced illness continuum is de-prescribing, which is best handled by hospice-trained physicians and pharmacists, working in concert with the hospice care team. The goal of de-prescribing is to identify and eliminate any medications (prescription and over-the-counter) that are not essential to the care plan and goals of care, specifically but not exclusively with reference to medications more focused on cure than comfort.

"The initial assessment of the patient is very comprehensive, including the review of all current and inactive medications. Prior to an interface between our pharmacy provider, Delta Care Rx, and our EMR provider, our nurses had to enter each medication into the electronic medical record. That was a time consuming task," says Judy Bartel, Chief Clinical Officer for Hospice of the Western Reserve in Cleveland, Ohio. "Patients come to us with many medications. Sometimes the medications are no longer effective or there is a medication that has the same efficacy, yet is more financially reasonable. The Pharmacy Provider can suggest deprescribing and or alternate medications. This is all part of medication reconciliation."

SUPPORTING PHARMACEUTICAL CARE VIA TELEHEALTH

Telehealth is becoming increasingly important for providers and patients alike, particularly in hospice where so many patients receive care in their homes.

This is especially true for patients in rural areas who may live a considerable distance from their health care providers.

Nationally, urban centers are far more likely to have a Medicare-certified hospice than rural counties, and rural patients have considerably less access to hospice and palliative care than those who live in more populated regions, a 2015 study found.

Delta Care Rx offers telehealth solutions to provide additional support to its hospice clients as well as patients and families. ADAPT™ Health is a powerful suite of telehealth software, electronic prescribing and analytical tools to pinpoint patients who are at high risk for re-hospitalization or excessive medical care.

Delta Care's Hospice LIVE is a convenient telehealth solution that utilizes a secure video connection to bring live physician and/or pharmacist consultations directly to hospice clinicians sitting with patients at the bedside.

And Delta Care's Hospice-Prescribing™ interfaces with the hospice's electronic medical record systems, allowing pharmacists to review potential drug interactions, make prescription recommendations, provide education about new medications and track the incidence of side effects among their patients.

For the pharmacist working constructively with the hospice team, the goals for each patient are threefold:

1. Palliate symptoms to ensure comfort and dignity
2. Manage the disease process
3. Prevent and/or manage drug-related complications, problems and side effects

Quality, comprehensive pharmaceutical care supports hospices in achieving these goals, thus helping ensure positive patient outcomes while also helping control or reduce costs.

Hospice of the Northwest, a highly regarded community-based provider in Washington State, explains how that works.

"We have quarterly meetings with our medical directors, where we meet with pharmacists, and discuss our prescribing patterns and our spending. We find those very helpful," says Bob Laws, executive director of Hospice of the Northwest, Mount Vernon, Wash. "Delta Care Rx advocates for us with our local pharmacies to try to keep the medications that we use in stock. We also have a custom interface that was established between our electronic medical record system and Delta Care Rx that has been very helpful in terms of productivity for our staff and improving accuracy."

A pharmaceutical care provider also keeps watch on such essential factors as availability of medications that its clients use and sudden or steep pricing changes, as hiccups in the supply chain sometimes can cause a particular drug price to skyrocket. When there is a supply or pricing issue, pharmacists are quick to recommend alternative medications that are readily available — and perhaps even less costly — but equally effective.

Hospices that partner with a pharmaceutical care provider also benefit from 24-hour access to the provider's consulting clinical pharmacists for additional information and support to address patient medication questions. Through Delta Care Rx, a pharmacist is available to clients within minutes upon request with the company's On-Demand Pharmacist Services program, which offers therapeutic consulting via telephone and an online e-consulting suite 24/7/365.

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of the Northwest

Pharmaceutical care is a comprehensive approach spanning inpatient needs, outpatient needs, sterile preparations, telehealth and traditional pharmacy services. Yet it can all be incorporated efficiently without creating more work for the hospice provider.

Support from a pharmaceutical care provider can assist hospices with every aspect of the medication management process to enhance patient safety and maintain effective cost control — from clinical decision making and troubleshooting difficult-to-manage symptoms to formulary design and procurement for inpatients and support for pediatric hospice programs, Mihalyo explains.

The pharmaceutical care provider helps hospices obtain controlled substances, often needed to more quickly treat patients’ pain — resulting in improved symptom management and patient outcomes.

Delta Care Rx works with a preferred network of local pharmacies to ensure hospices get same-day service and allow providers to spend their medication dollars within their local communities. Its Dragonfly mail order pharmacy system provides hospices with the formulary flexibility, business transparency, financial creativity, regulatory compliance and technological solutions that traditional mail-order pharmacies do not.

“Delta Care Rx has helped us make ends meet in terms of our drug costs, but I also think that the expertise that they provide has helped us as an agency. And that definitely helps patients in the long run,” Laws says. “They’ve taught us new strategies over the years for symptom management, which definitely has been a huge help for patients at the end of life, as well as how to optimize and find less expensive solutions that are equally if not more effective.”