Statement of Conflict of Interest

Rebecca Cheek has no actual or potential conflicts of interest in relation to this presentation

CE Question

Compliance data is the only data needed when managing a 340b program.
A. True
B. False
Today's Goals

• Provide key elements to implement a CHC 340B program
• Provide tools and resources to support compliance
• Provide details of WHC 340B program and how it works

WHITE HOUSE CLINICS

• Located in South Central Kentucky
• Community Health Center with 6 sites
• 89,000 total visits based on 2012 UDS
• Operates 4 in-house pharmacies-160,000 rxs in 2012
• Savings of $500,000 through 340B program in 3rd quarter 2013
• Participant in PSPC for 4 years
• Pharmacy student rotation site for University of Kentucky, Sullivan and College of Appalachia Schools of Pharmacy

Services

• Medical Specialties
  – Pediatrics
  – Geriatrics
  – Family Practice
  – Internal Medicine
  – Nutrition counseling
  – Laboratory
• General Dentistry
• Radiology
  – Basic X-Ray
  – Mammography
• Pharmacy Services
  – Clinical Pharmacy Services
  – Discharge med rec
  – Supplement access with contract pharmacy
• Mental Health Services
  – Child, Adolescent & Adult Therapy
  – Individual & Family Therapy
340B Pharmacy Options

Pharmacy Options

- Mixed-use
- Contract
  - Single contract
  - Multiple contracts
- In-house
  - Supplement with contract
  - Clinic admin drugs
- Other
  - Central Fill
  - Telepharmacy

In-House Model

- Wholesaler
  - 340B drug ordered
  - 340B drug shipped
- In-house pharmacy
- Patient
Why did we choose an In-House Pharmacy Model?

- Knowledgeable pharmacists on staff to assist providers and patients
- Convenient for patients and staff
- Initial start-up is high, but so is profitability if done correctly
- Easier to prevent diversion in an in-house model
- Has been easy recruiting pharmacists-FTCA coverage, competitive salary, clinical opportunities, provider interaction
- More control over day-to-day operations

Why did we choose an In-House Pharmacy Model?

- Patient tracking for compliance, Adverse Drug events
- Access to Electronic Health Record
- Pharmacists are actively involved in community
- Pharmacy student education
- Pharmacist involvement in formulary management, PT committee, MTM, Clinical Pharmacy Services

Key Elements in a CHC 340B program

- Access
- Financial sustainability
- Strong leadership/staff/support
- Quality
- Compliance/integrity
**Access**
- Infrastructure-space, location, software
- Hours of operation
- Delivery
- Lunch hours
- Third party contracts
- Wholesaler accounts
- Patient Assistance Programs
- Communication with providers/staff

**Financial Sustainability**
- Predictable payer mix
- Prescription volume
- Sliding Fee development
- Formulary development
- Staffing levels

**Financial Sustainability**
- Market pharmacy services
- Inventory management/turnover
- Know your savings/expenses
- Generate good reports
- Open door
- Customer service
How do we ensure fiscal responsibility?

- We bill majority of third parties, Part D and Medicaid
- Formulary management
- Purchase clinic administered drugs on 340B
- Use of Prime Vendor value added services
- Educate providers and staff on importance of compliance
- Monitor inventory levels and turnover
- Regular evaluation of current program

What data do I monitor?

- Cost of goods
- Acquisition and fixed cost/rx and Charge/rx
- Sales/Profit margin
- Capture rate
- Staffing reports
- Fixed expenses
- Top drug expenditures
- Payer mix-sliding fee vs. Third party vs. Medicaid vs. cash
- Inventory turnover
- Patient Assistance Program reports

Capture Rate

- In-house
- Box sent out

Capture rate

38% 62%
Use of 340B savings

- Free prescription delivery
- Sliding fee for uninsured
- Behavioral health staff
- Pharmacy staff, training, equipment
- Administrative costs
- PAP program costs
- Case managers
- Financial counselors
- Clinical Pharmacy Services

Quality

- Provider and Patient satisfaction surveys
- Medication error rates
- Compliance rates for patients on particular drugs
- Regularly assess workflow and dispensing process for improvement
- Drug Utilization Evaluation—drugs used appropriately, safely and effectively? Charts reviewed according to guidelines. Ex. Use of controller meds in Persistent Asthmatics
- Results of Clinical Pharmacy Interventions

Quality

- Chart reviews
- Guideline reviews at staff meetings
- Incident reports evaluated
- Therapeutic interchange approvals
- Monitor Star Ratings

Data presented to Quality Improvement Committee
Compliance and Integrity

- Patient definition/eligibility
- Duplicate discount
- Referrals
- Purchasing
- Retail pharmacy dispensing
- Clinic administered drugs

Compliance and Integrity

- Billing practices
- Policies and procedures
- Provider list
- Training
- Pharmacy software
- Staff access to EHR

Auditing activities

- Check OPA website for accuracy yearly
- Review invoices from 340B and retail accounts
- Review Medicaid prescriptions for accurate billing
- Verify provider list is accurate quarterly
- Monitor price changes on PVP website
Auditing activities

• Monthly audit of 340B drug usage-see form
• Monthly audit of 340B drug usage in referrals
• Yearly 340b staff training
• Monitor inventory integrity

Patient Eligibility Audit

Inventory Integrity Audit
Policies and Procedures

- Comprehensive
- Address all 340B activities
- Standardization among sites

Prime Vendor website has good examples of 340B policies!!

CE Question

Compliance data is the only data needed when managing a 340b program.
A. True
B. False

Answer: False
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