

Presented at

CBI Conference:  
Pharmacy Channel Strategies  
for Specialty Products

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# ePrescribing (eRx) of Specialty Medications — Where We Are and Where We're Going



# Specialty Medications: A Force of Health Care

- Administered to small populations with **rare and chronic diseases**.
- **Expanding to larger populations** and therapeutic areas.
- Complex, large molecule and biologic drugs distributed through **multiple pharmacy models**.
- Majority require **clinical management** and **special handling**.

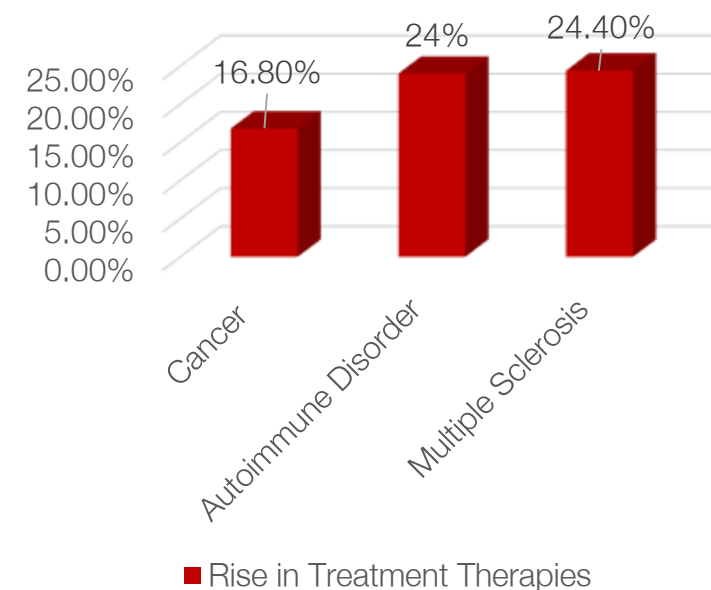
Specialty medications are a growing and significant part of the nation's drug spend.

**\$374 billion**  
in 2014  
(IMS, April 2015)

**\$12.3 billion**  
Hepatitis C

*Health plans and PBMs can better monitor and control specialty drug spending through ePrescribing, electronic prior authorization and formulary data improvements.*

Rise in Treatment Therapies



# Specialty drugs continue to grow

While the volume of specialty medications is less than 1% of total prescriptions, US spending on specialty drugs is projected to **grow 67% by the end of 2015.**

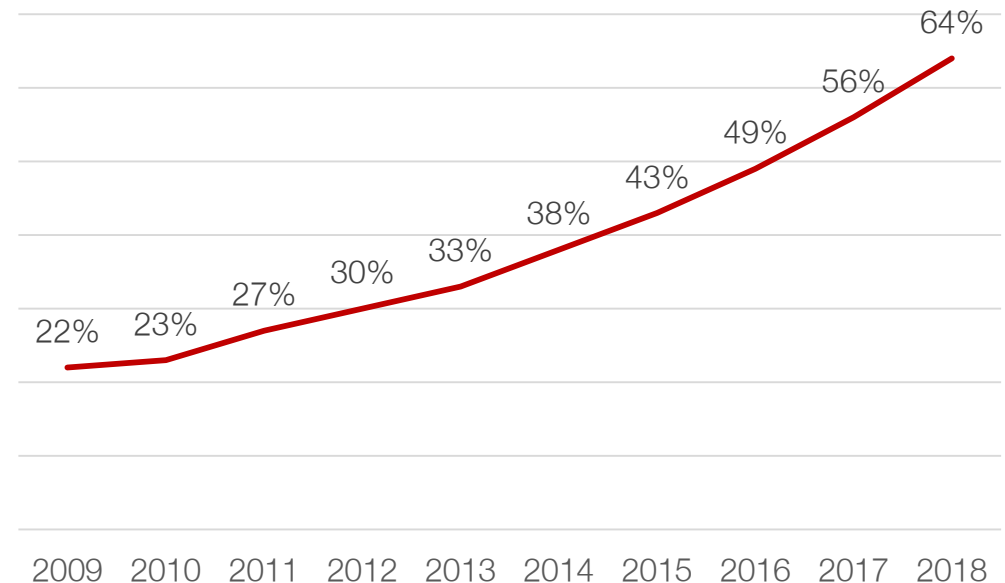
Specialty medications are the fastest-growing sector in the American healthcare system, expected to jump two-thirds by 2015, and **account for half of all drug costs by 2018.**

Specialty medications can run at \$2,000 per month per patient; **those at the high-end cost upwards of \$100,000 to \$750,000 per year.**

Specialty Med  
Spending:

**67%** growth  
end 2015

Specialty Drugs as % of Total Drug Spend



Source: Prime Therapeutics

# Quick Facts on Specialty Pharmaceuticals

- Cost per month generally ranges from **\$2,500 to \$50,000**.
- **Two-thirds** of new FDA approvals are for specialty drugs.
- **8 of the 10** top highest revenue drugs in 2016 will be specialty.
- Patients on these medications are complex, high-cost, and require regular follow-up.

*National studies showed that specialty pharmacy had grown upwards of 20% per year, a trend projected to continue, and that by 2020 specialty was estimated to account for 40% of all drug spend.*



# Today's specialty prescribing process: Obsolete. Manual. Inefficient.



Prescription  
is typically  
**faxed** to  
pharmacy.



Prescriber “unknowns”:

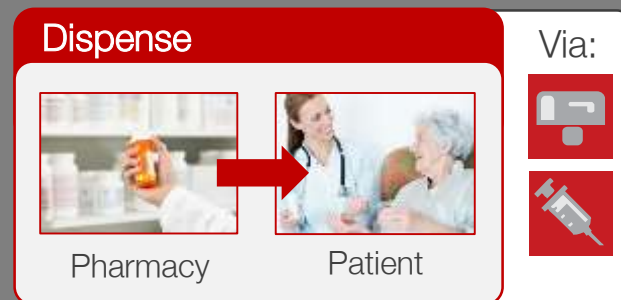
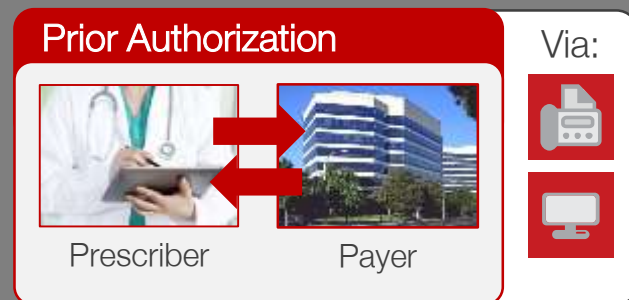
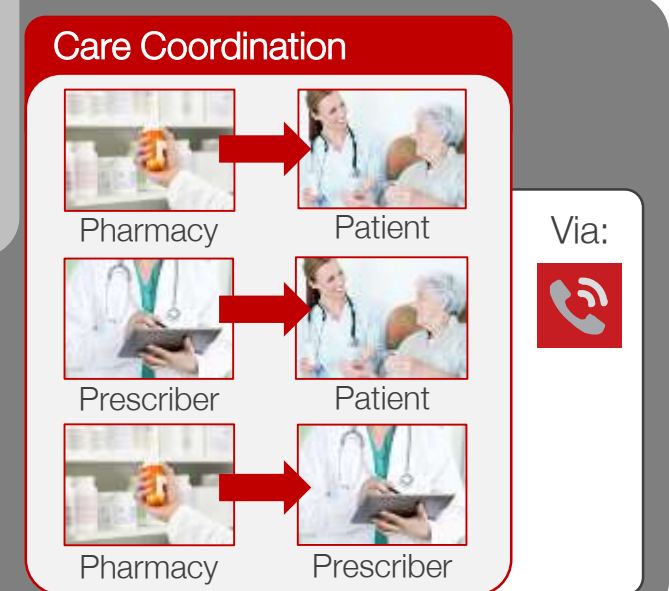
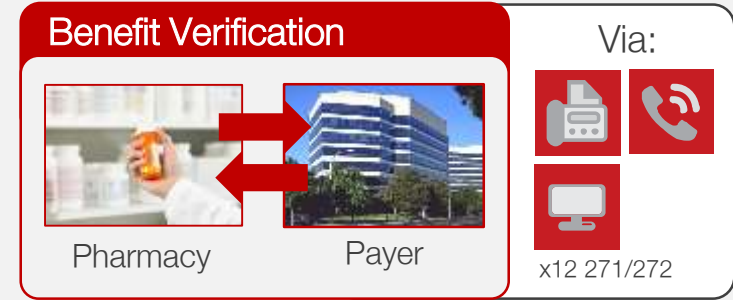
- patient copayment
- contracted pharmacies
- prior authorization
- REMS
- financial assistance



**Time intensive**  
for pharmacy:

Multiple calls to  
determine coverage, if  
prior authorization/REMS  
is required.

# Types of Specialty Prescription Transactions



# Challenges in Specialty Prescribing

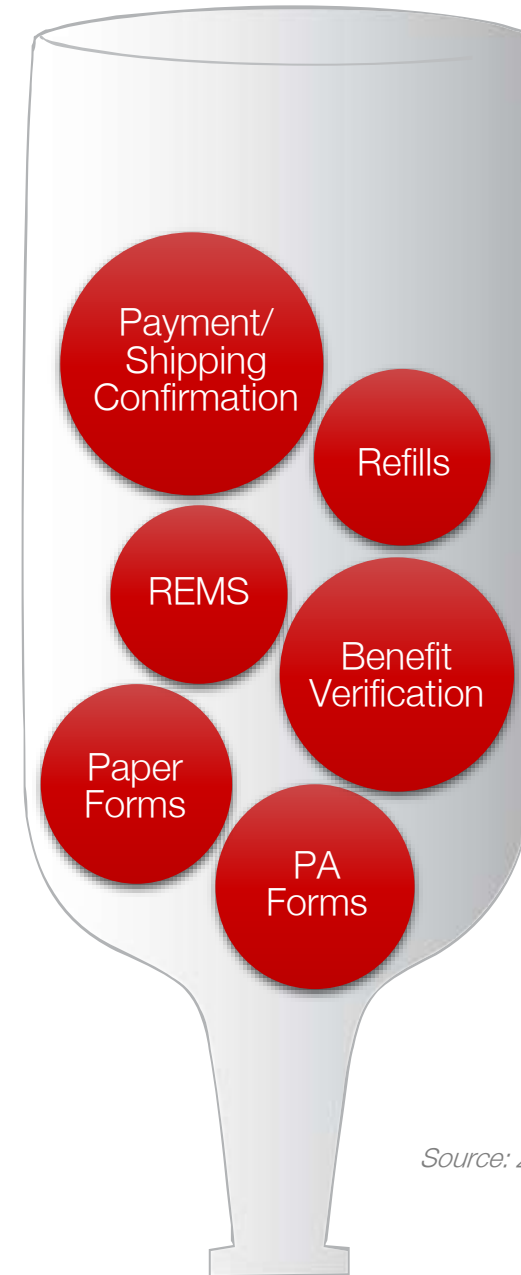
Manual processes cause excess time delays\*

- Paper Forms: **19.2 minute** manual input
- Benefits Verification: **1 week** backlog; 60% accuracy
- PA Forms: **1 week** submission to results delay
- REMS: 1/3 orders delayed **7+ days** by patient sign-off
- Payment/Shipping: **2 day** delay for patient confirmation
- Refills: **10 day** average turnaround

Delays result in fewer patients served

## Bottlenecks accumulate –

It currently takes an average of **3-6 weeks** for a patient to receive their specialty medication after it is prescribed.



Source: ZappRx, Inc.

# Specialty ePrescribing Drivers

<b>Medication Compliance</b>	Medication Non-Adherence: 100,000 unnecessary deaths and costs \$200 billion.
<b>Patient safety</b>	Improves first fill rates, facilitates renewals and improves prescription legibility.
<b>Government incentives</b>	Help prescribers meet Meaningful Use thresholds.
<b>Improve workflow and efficiencies</b>	Eliminates tedious manual processes, dramatically reducing administrative costs.
<b>Cost containment</b>	Helps all stakeholders monitor and control specialty drug spending.



# Specialty ePrescribing: The Infrastructure is in place

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80%

Physicians Today

Nearly 80% of physicians  
ePrescribe today



700

EHRs Enabled

Approximately 700 EHRs  
enabled for ePrescribing

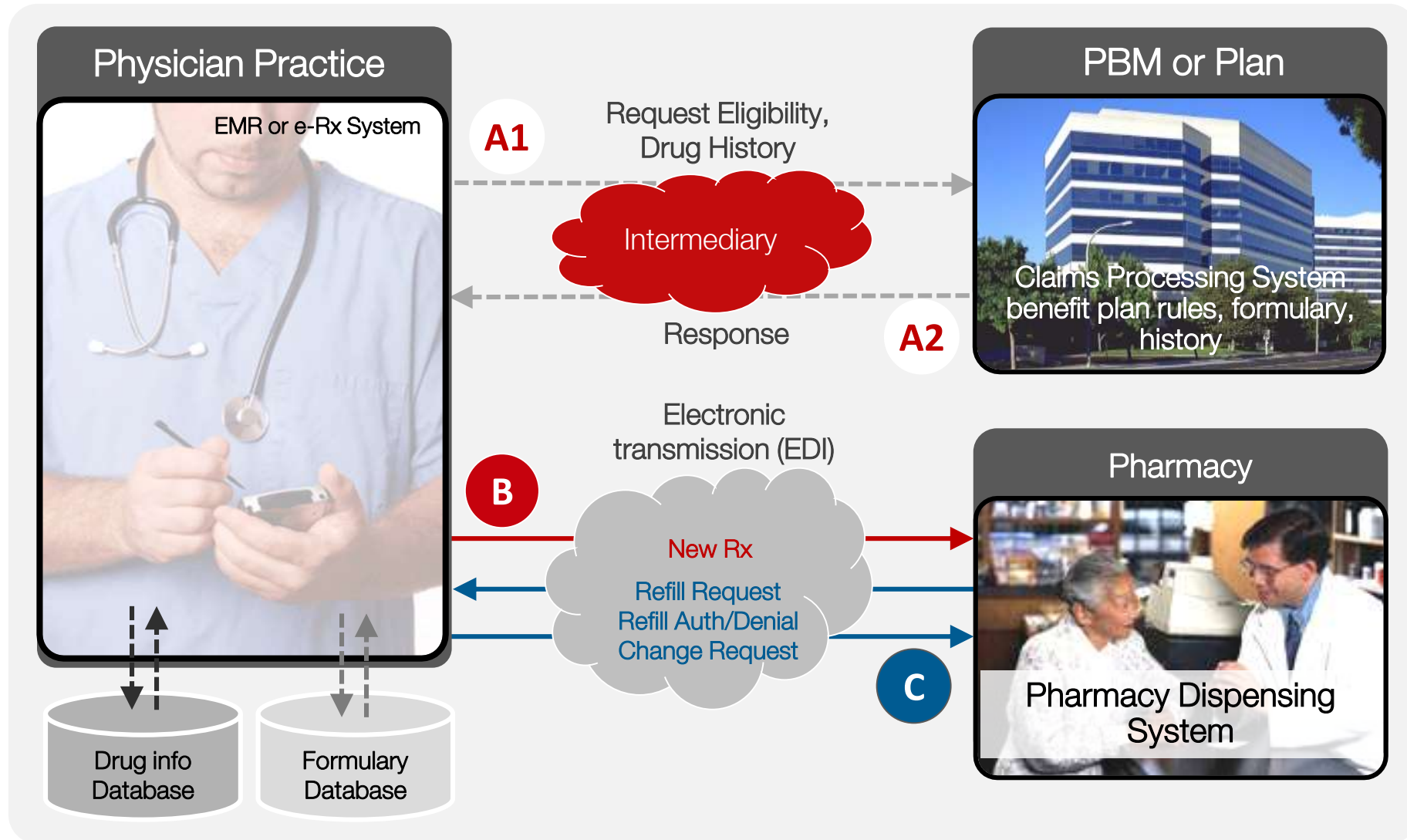


100%

Retail Pharmacies

Nearly 100%  
retail pharmacies

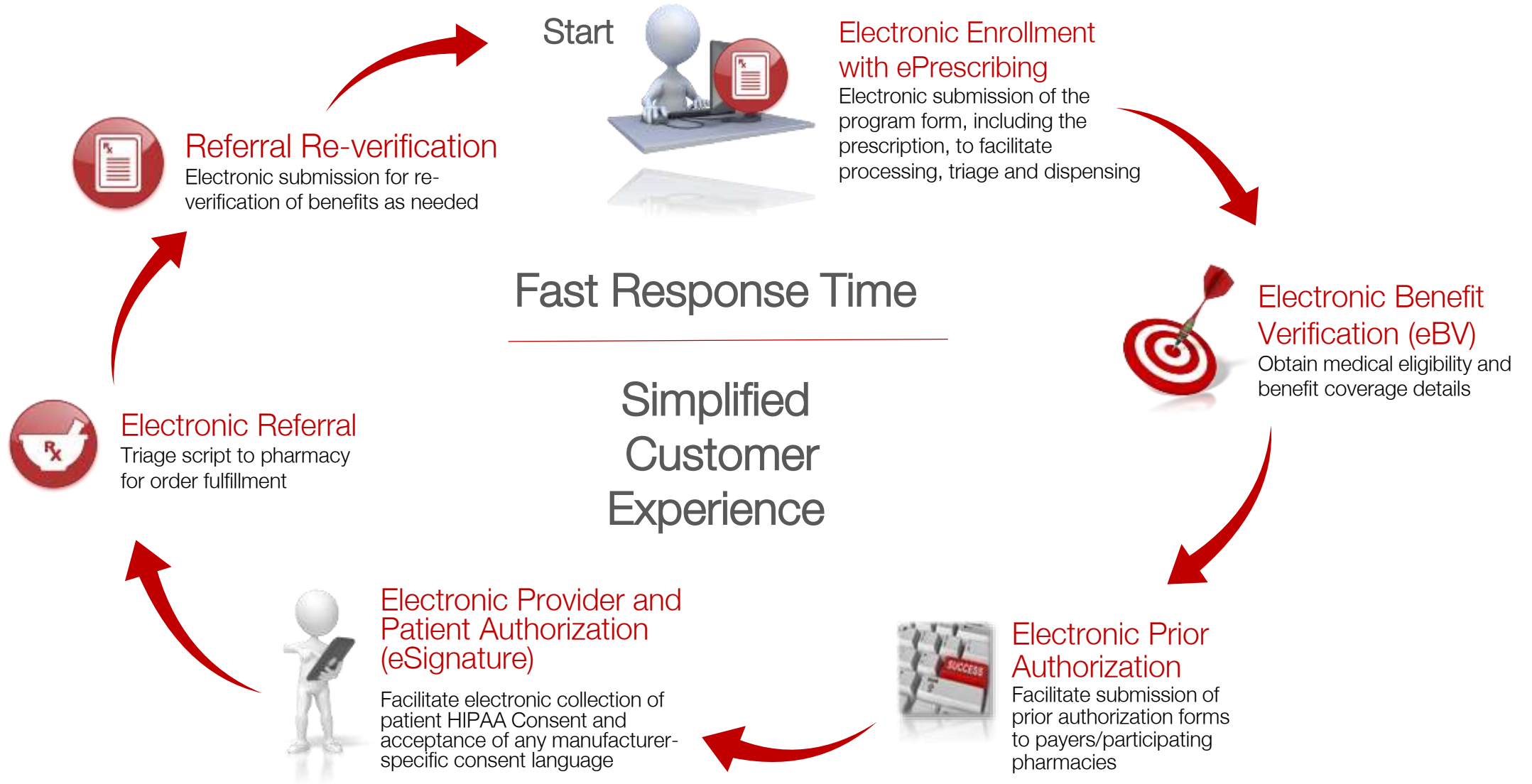
# Current ePrescribing Flow



# A Vision for the Future



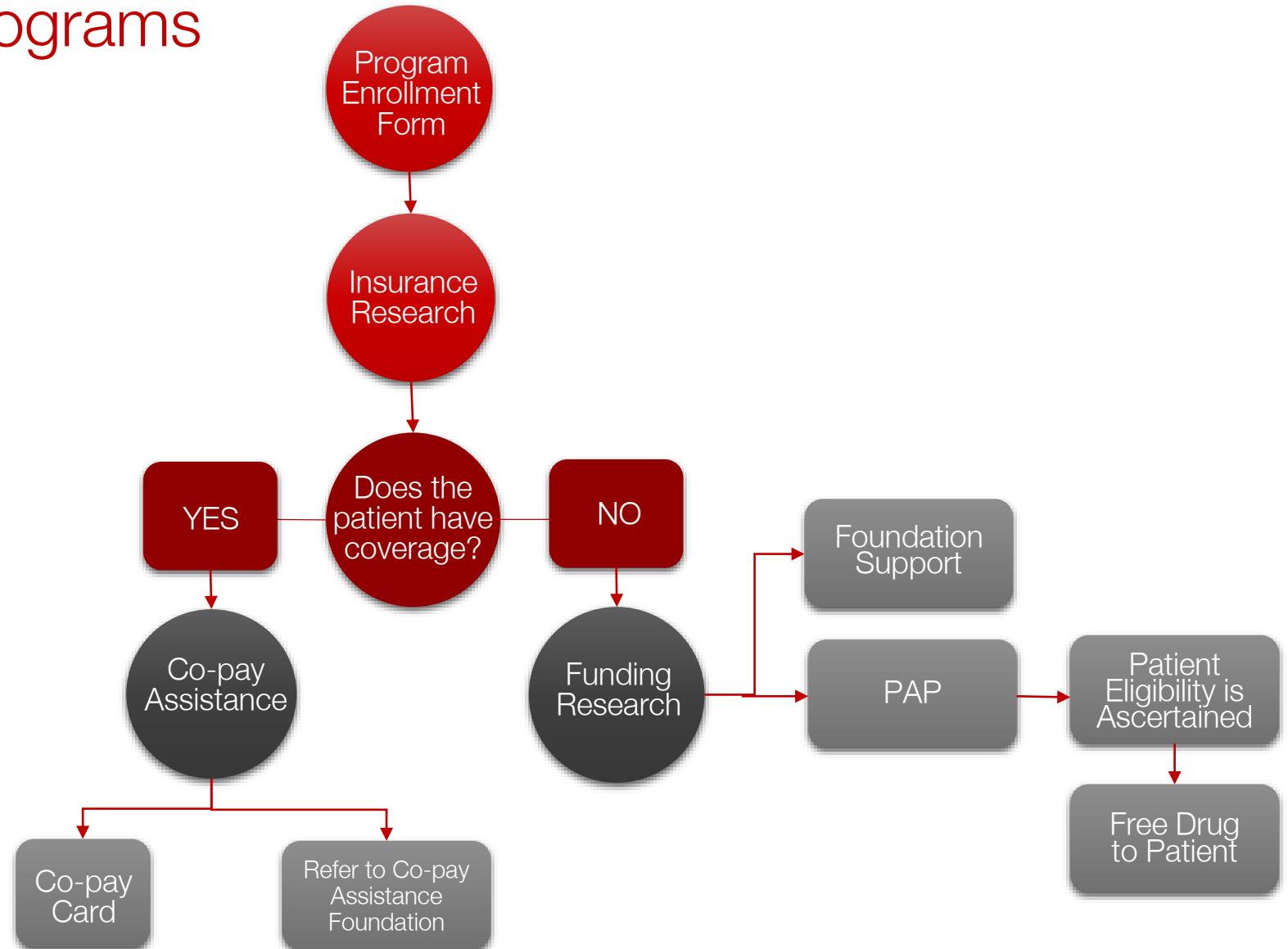
# Reimbursement Hub Goals



# Manufacturer and Specialty Pharmacy Patient Assistance Programs

Hub services help patients navigate all of the potential discount programs and also provide resources to patients.

*Most Hubs today are run and managed by pharmaceutical manufacturers and specialty pharmacies. HUBS continue to evolve and will play an important role in the consumer discount space*



## ePrescribing via NCPDP SCRIPT

Developed for the **oral-solid, single molecule medications** traditionally dispensed in retail or mail service pharmacy.

Designed to accommodate **data elements the retail or mail pharmacy requires** (drug name, dosage, quantity and *sig*).



**Insurance eligibility** determined **before** patient arrives at physician's office.

**Formulary and some benefit information** is presented to prescriber before drug selection.

PA can now be done **electronically** through NCPDP SCRIPT Standard; prescribers can complete PA at point of prescribing, **eliminating need for pharmacy go-between.**

## NCPDP SCRIPT: Data Elements to Support Specialty ePrescribing

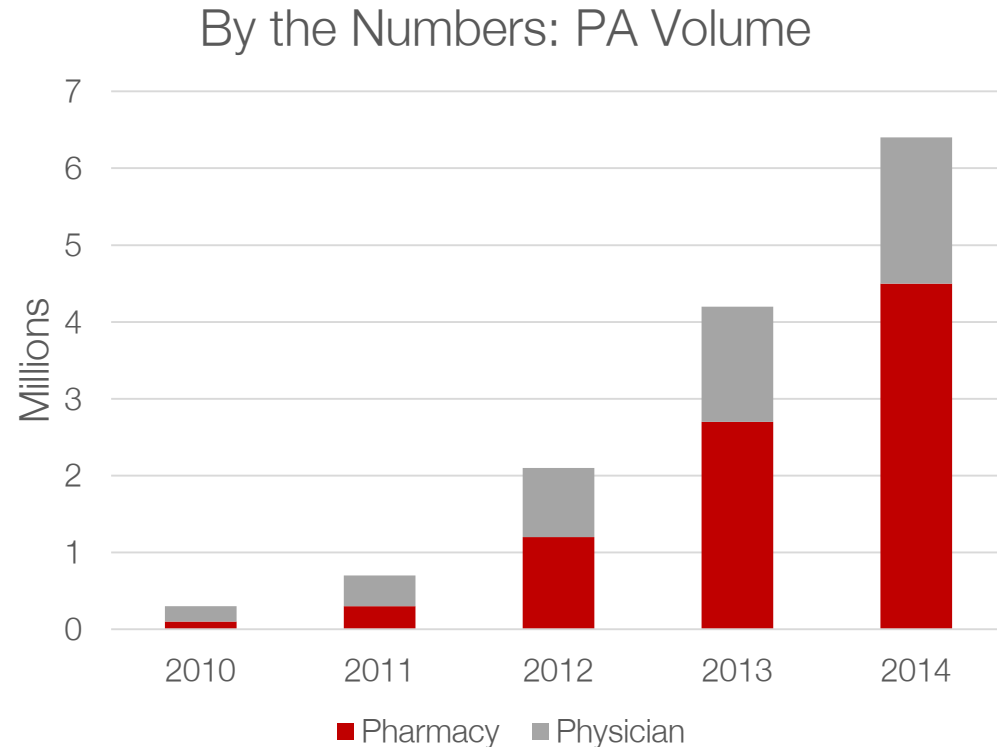
**Diagnosis, lab values, height, weight, allergies and other indicators** needed to fill specialty prescription.

**Patient contact information** to facilitate delivery and clinical services, and enroll patient in assistance programs.

**Insurance policy number** to determine eligibility – pharmacy vs. medical benefit – and **coverage/copay** information.

The **status of a prior authorization request** to facilitate the billing and delivery of the specialty medication.

# Electronic Prior Authorization



Source: CoverMyMeds

- Retrospective and prospective models emerging in the marketplace
- Retrospective being conducted in a proprietary manner
- Industry movement toward **prospective**
- Prospective ePA officially approved as part of the SCRIPT standard in July, 2013
- Standardized retrospective process on-hold
- Standardized questions being addressed
- Need for standardization, evidence-based PA criteria



# Benefits Verification

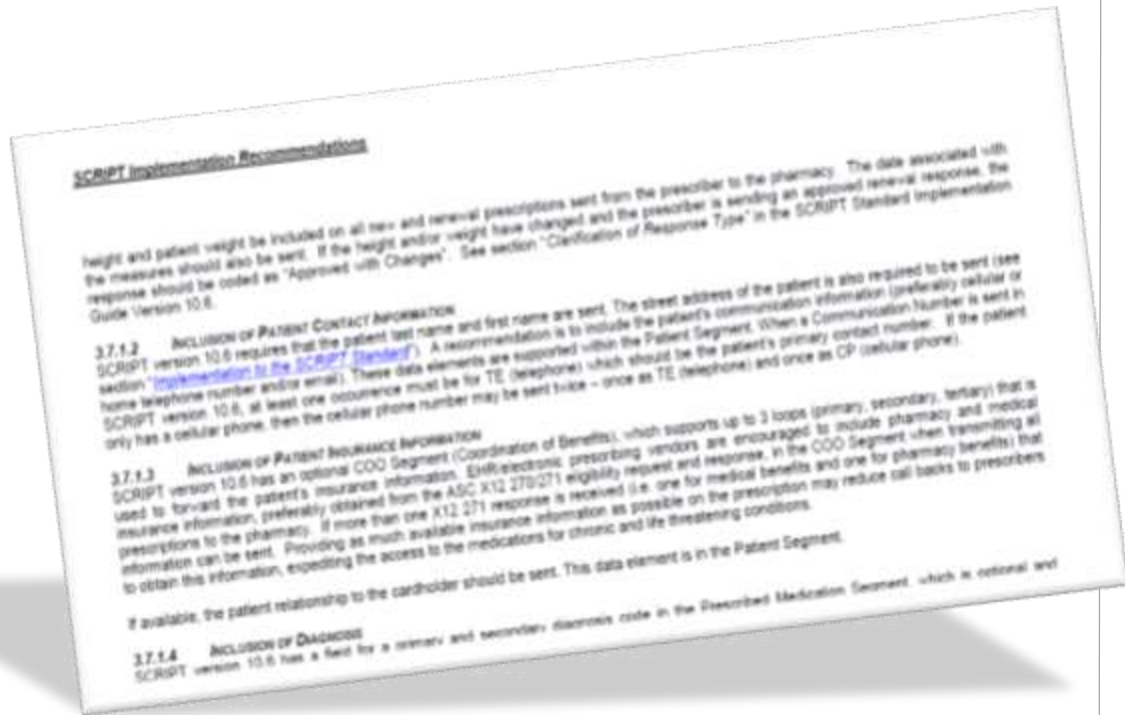


- Today still done via **phone/fax**
- Effort to bring a **standardized** electronic benefit verification to the market via the Real-Time Benefit Inquiry

Options include using:

- NCPDP Telecommunications D.0 Standard
- X12 270/271 Eligibility Request
- NCPDP SCRIPT Standard

# Specialty ePrescribing



- Task Group formed during Fall 2013 Workgroup Meeting
- Co-lead by Laura Topor and Tony Schueth
- Goal is to include data elements needed by specialty pharmacy in the original prescription
- Accomplishments include recommendations for:
  - Diagnosis Code
  - Patient Contact Information
  - Height/Weight
  - Inclusion of Patient Insurance Information
- Working on identifying other data elements that can be included in the transaction and means of transmittal

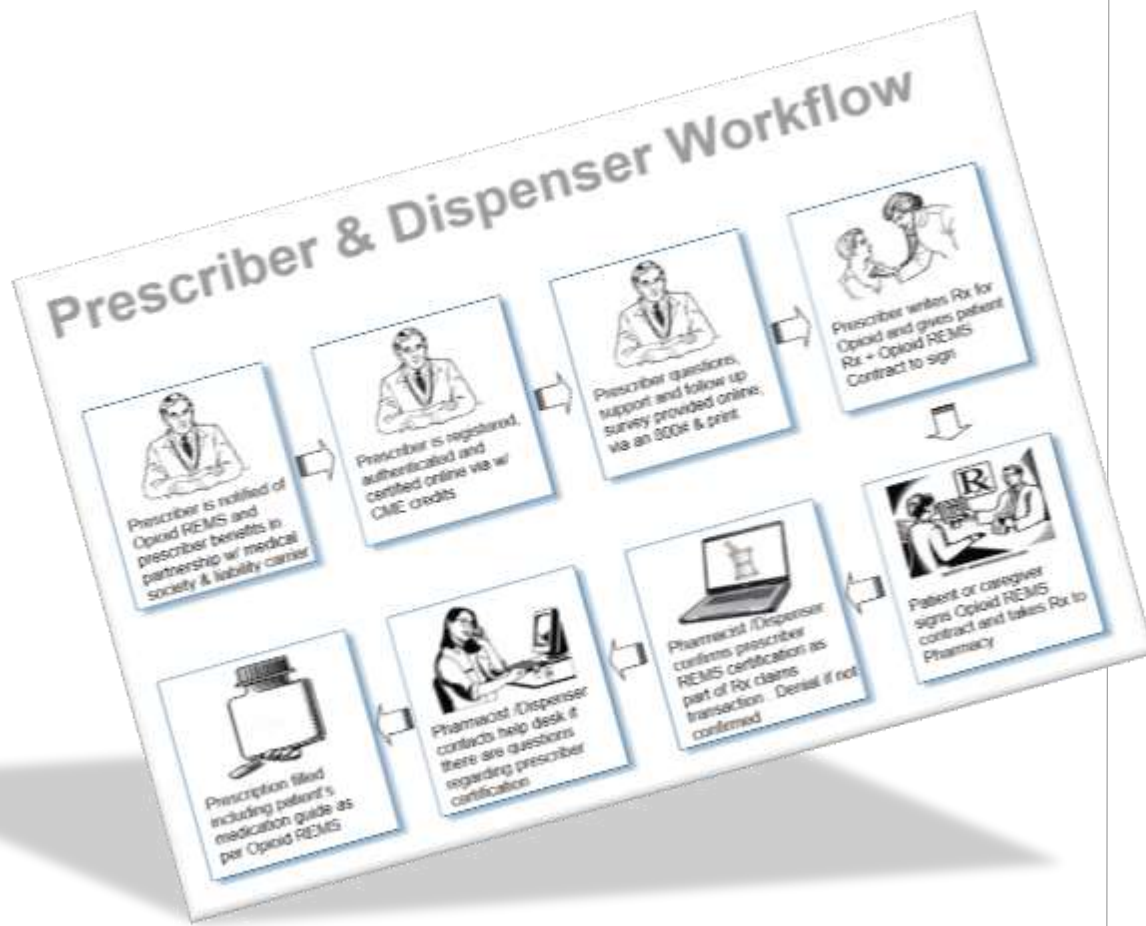
# REMS

## WG 1 – Telecommunications D.0

- Supports an “in workflow” REMS solution
- Currently supports a class-wide TIRF REMS (i.e. Transmucosal Immediate Release Fentanyl)
- Enhancements successfully balloted (Version E.3) for future use
  - Also supports real-time and in-workflow prescription drug monitoring program (PDMP) reporting

## WG 11 – SCRIPT

- Standardizing the REMs process using ePrescribing transactions
- Streamline the electronic processing of REMS prescriptions from prescriber to pharmacy
- SPL “triggers” transaction in prescriber system



## EHR Modifications for Specialty Medications

Addition of **data fields** needed for fulfillment of specialty medications.

Physician selection of more drugs than may be currently presented.

Access to participating specialty pharmacy networks.

**Timely updates** to specialty formularies.

## Current Opportunities

Making ePrescribing for specialty medications a **mandatory requirement** for Medicare Part D.

Medicaid can help **reduce costs**, as well as help **track expenditures, improve outcomes** and mitigate **safety issues**.

**Private sector** would likely follow, and also mandate ePrescribing of specialty medications.

**Additional work** by standards developers and vendors is needed to create needed **infrastructure modifications and enhancements**.

Providers need to understand the value proposition for specialty ePrescribing, such as:

- **better workflows**
- **reduced overhead**
- **improved quality of care**
- **patient safety**

# Current Opportunities

Additional stakeholder input is needed to ensure the emerging NCPDP standard **works for all parties involved** in the dispensing of specialty medications.

## Next Calls:

Monday, July 13 and Monday, July 27  
3-4 EST

Register at NCPDP  
Collaborative Workspace:

<http://dms.ncdp.org/>

The time is right  
and it is the right thing to do.



Thank You.



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