

THE PURSUIT OF PROVIDER STATUS



What Pharmacists Need to Know



American Pharmacists Association

Improving medication use. Advancing patient care.

Provider Status: **What Pharmacists Need to Know**

An ongoing source of information on the pharmacy profession's quest for provider status—August 2013

Pharmacists' services have grown well beyond functions tied only to dispensing medications. Many pharmacists also provide such advanced patient-centered services as coordination of medications during care transitions, medication management, comprehensive medication reviews with ongoing medication monitoring, chronic disease management, disease education, prevention and wellness services, and patient education. For patients to achieve the full benefit of their medications, pharmacists must be part of the health care team. The term "provider status" may be used and understood differently by various parties inside and outside of health care. The following information is intended to provide context from the pharmacy profession's perspective.

What is provider status?

Pharmacists and pharmacists' patient care services are not included in key sections of the Social Security Act (SSA), which determines eligibility for health care programs such as Medicare Part B (www.ssa.gov/OP_Home/ssact/title18/1861.htm). In the case of Medicare Part B, the omission of pharmacists as listed providers limits Medicare beneficiaries' access to pharmacists' services in the outpatient setting. Other health care professionals who are listed as providers in Part B of the SSA include physicians, physician's assistants, certified nurse practitioners, qualified psychologists, clinical social workers, certified nurse midwives, and certified registered nurse anesthetists. In addition to providers, Part B provides the list of medical and other health services covered.

Many state and private health plans often cite the omission from Medicare Part B as a reason for lack of coverage for beneficiaries or lack of compensation of pharmacists for providing comprehensive, patient-centered care. Omission from Medicare Part B can also result in barriers to optimizing the use of pharmacists' patient care services in emerging integrated care delivery models promoted by the Affordable Care Act (ACA), such as medical homes and accountable care organizations (ACOs), which are located in another section of the SSA (www.ssa.gov/OP_Home/ssact/title18/1899.htm).

Why is achieving provider status important?

Improving quality of life and health outcomes in a cost-effective manner are important goals of the evolving health care system. Proper use of medications is essential to meeting these goals, especially for those with chronic conditions requiring complex medication therapies. In 2009, the treatment of chronic conditions cost the U.S. health care system \$1.7 trillion annually, or about 75 cents of every health care dollar spent.¹ Even marginal improvements in chronic disease management through the appropriate use of medications would result in substantial savings throughout the health care system.² And as millions of Americans join the ranks of the insured and the aging population continues to grow, the opportunities to achieve better quality, improve outcomes, and decrease costs are even greater.

The impact of inappropriate medication use is staggering. Each year, there are more than 1.5 million preventable medication-related adverse events in the United States.³ Furthermore, the health care system incurs nearly \$290 billion dollars annually in mostly avoidable costs to treat adverse events from inappropriate medication use.⁴ Medication non-adherence alone results in \$100 billion each year in excess hospitalizations.⁵

Pharmacists have comprehensive and unique education and training in the use of medications for the treatment, management, and prevention of diseases to contribute to the health care team.^{6,7,8}

Studies and practice-based experience have shown that when pharmacists are involved as members of the health care team, patient outcomes improve, patients report higher rates of satisfaction, and overall health care costs are reduced.^{9,10,11,12} But without the proper provider status recognition and payment models in place, patients and health care providers are often blocked from accessing the benefits achievable through pharmacists' services.

How does APhA view provider status?

Attaining provider status means coverage for pharmacists' patient care services and value recognition of those services. APhA is profoundly committed to seeking increased consumer access to pharmacists' patient care services and the companion goal of having pharmacists recognized for their critical role in providing patient care in collaboration with physicians and other providers on the health care team.

APhA does not view "provider status" as a single ask or a singular effort to amend the SSA but as a multifaceted need by society, the achievement of which will require a multipronged strategy. A variety of federal and state legislative and regulatory and private sector options should be considered to increase access, optimize patient care, and resolve the lack of coverage for pharmacists' patient care services. APhA has identified and segmented its activities to achieve provider status into three separate but simultaneous pathways: federal, state, and private.

Possible strategies within the federal pathway include legislative options such as amending the SSA related to Medicare programs (e.g., Part B, Part D, ACOs). In addition, there are regulatory options that include working with CMS to amend regulations to include specific language referencing pharmacists and pharmacist inclusion in integrated team-based care models.

APhA, in collaboration with other national pharmacy organizations, is currently studying possible options for legislative language that are primarily focused on amending the SSA. These options could include seeking recognition for pharmacist-provided services in Medicare Part B and/or formal recognition on health care teams.

Within the state pathway, potential strategies involve seeking changes in Medicaid programs and opportunities with the forthcoming Health Insurance Exchanges formed by the ACA. Opportunities in the private pathway include looking at opportunities in ACOs, medical homes, commercial health plans, and private and self-insured employers.

APhA's efforts seek to make certain that

- Payers and policy makers recognize pharmacists as health care providers who improve access, quality, and value of health care.
- Access and coverage for pharmacists' patient care services are facilitated through Medicare/Medicaid, other federal and state health benefit programs, integrated care delivery models, and private payers.
- Pharmacists are included as members of health care teams.

What pharmacy groups are working together toward provider status?

In December 2012, the Joint Commission of Pharmacy Practitioners (JCPP) member organization's Chief Executive Officers agreed to collaborate on a set of principles to guide the provider status campaign at the federal level. A coalition of 14 organizations, several outside of JCPP, has been working on "Principles for Improving Patient Health: The Pharmacist's Role" since mid-January 2013. As mentioned above, APhA

is currently studying possible options for federal legislative language in collaboration with other national pharmacy organizations.

- The American Association of Colleges of Pharmacy (AACCP)
- The American College of Clinical Pharmacy (ACCP)
- The Academy of Managed Care Pharmacy (AMCP)
- The American Pharmacists Association (APhA)
- The American Society of Consultant Pharmacists (ASCP)
- The American Society of Health-System Pharmacists (ASHP)
- The College of Psychiatric and Neurologic Pharmacists (CPNP)
- The Food Marketing Institute (FMI)
- The International Academy of Compounding Pharmacists (IACP)
- The National Association of Chain Drug Stores (NACDS)
- The National Alliance of State Pharmacy Associations (NASPA)
- The National Community Pharmacists Association (NCPA)
- Rite Aid Corporation
- Walgreens

APhA strongly believes that a key to our success is the collaboration among organizations to ensure the pharmacy profession speaks in a unified voice on Capitol Hill with a singular pharmacy legislative ask.

Why is now the right time for this initiative?

Although there are many large issues before Congress, immense pressure exists to address issues with health care delivery and payment (e.g., Sustainable Growth Rate formula, increase access to care, integration and coordination of care) due to their strain on federal and state budgets. There is a need to find savings within the health care system and to produce better outcomes with same or less dollars.

Due to these financial pressures as well as the passage of the ACA, there has been a movement toward “new” delivery and payment methods and a willingness to look beyond what is done currently, especially with newly insured individuals coming into the health care system. Some fee-for-service payment methods are in decline and are being deemphasized. For example, priority is being given to coordinating care among practice settings, using a team-based approach with health care organizations and providers bearing risk (e.g., Center for Medicare & Medicaid Innovation awards). These new approaches represent opportunities for pharmacists to contribute to patients’ quality outcomes in collaboration with other members of the health care team. Further, by 2025, it is estimated that the deficit of primary care physicians will total more than 50,000, which will require new approaches to patient care delivery and provides an unprecedented need for the pharmacy profession to provide solutions.¹³ With the potential of 30 million uninsured patients entering the health care system starting in 2014, utilizing the skills of pharmacists in the patient’s health care team will help meet the needs of these patients.

In addition to the focus on new health care delivery and payment models, and the expected increase in the need for primary care services, there is an increasing amount of evidence of the value of the pharmacist and pharmacist-provided patient care services. Improved patient and population quality of care and reduced health care costs can be achieved by providing coverage for pharmacists’ patient care services in existing programs and evolving health care delivery models. APhA’s ongoing environmental scan of medication therapy management (MTM) services shows they are growing as a health benefit, expanding opportunities for patients to take advantage of these valuable services.

Will achievement of provider status affect the development and integration of pharmacists within ACOs, medical homes, and other models of team-based care?

Acknowledging pharmacists as providers in the SSA reinforces the value pharmacists bring to health care teams in emerging health care delivery models, including ACOs and medical homes. This is especially important now while these entities are developing and refining their health care provider mix. Achieving provider status for pharmacists will make it easier for patients to have access to pharmacist-provided patient care services by specifically referencing pharmacists as providers as well as recognizing the value they bring to the health care team.

Additionally, because of lack of recognition in the current environment, pharmacists can not submit claims to medical insurers; therefore, there is no record of their participation in the care of patients or their contribution to meeting quality outcomes measures. Recognition as providers would help to overcome some of the barriers to incorporation of pharmacists into team-based models of care.

What are some of the activities APhA is doing related to provider status?

APhA is profoundly committed to seeking increased access to pharmacists' patient care services and the companion goal of having pharmacists recognized for their critical role in providing patient care in collaboration with physicians and other providers on the health care team—a.k.a. "provider status." In support of this priority undertaking, the APhA Board of Trustees has allocated \$1.5 million toward a multifaceted, long-range effort by APhA and others in the profession to gain "provider status" for pharmacists as health care providers.

The Association is committed to working collaboratively with other pharmacy organizations on the provider status effort. APhA has provided the staff support to organize and convene a coalition of national pharmacy organizations to create provider status principles that are patient-centered, focus on team-based care, and are grounded in the triple aim of access, quality, and cost. The coalition gathered constructive feedback on the principles at a national provider status stakeholder meeting on March 1, 2013, in Los Angeles. A consensus-based approach for advocacy and legislative efforts is crucial for the profession to deliver an understandable, consistent, and coordinated message.

Additionally, APhA has numerous other activities underway to inform, educate, and advocate toward this goal. These include:

- Creating a special provider status section on the pharmacist.com website at www.pharmacist.com/providerstatusrecognition to keep members abreast of progress, news, and ways to become involved. We are continually developing new information to add to the website as well as ways to better update and inform members
- Regularly publishing articles on the value of the pharmacist and pharmacist-provided patient care services and developing a communication strategy to reach key stakeholders with these messages
- Collecting stories and evidence of the "return on investment" or "ROI" of pharmacist-provided patient care services and integrating this into the communications outreach to members and other stakeholders
- Developed, in coordination with the National Alliance of State Pharmacy Associations (NASPA), data sheets on the pharmacy environment within each state, a project supported by the Community Pharmacy Foundation. The four-page resource highlights innovation and successes at the state level and changes necessary to advance pharmacists as providers. <http://www.naspa.us/documents/factsheets.html>

- Pursuing advocacy activities including educating and lobbying members of key Congressional committees: House Ways & Means Committee; House Energy & Commerce Committee; Senate Health, Education, Labor, & Pensions Committee; Senate Finance Committee
- Meeting with and educating regulators responsible for implementing key areas of the ACA
- Using the APhA Political Action Committee (PAC) to support provider status activities
- Supported efforts to circulate provider status petitions and submit them to the White House for response
- Regular communication to individuals who have volunteered (through the website or at APhA's annual meeting) for the provider status campaign on provider status needs/milestones/events

These activities are part of the provider status “action plan” that APhA has created to align strategies across the three primary pathways: federal, state, and private sector.

What are the barriers to provider status?

Congress is currently focused on fundamental issues related to the nation's spending and other issues such as immigration, which adds to the difficulty of moving provider status legislation or other legislation that can be used as a vehicle for provider status. Additionally, because of immense financial pressures being experienced in all three sectors, decision makers are focusing on initiatives that save money, referred to as “savers,” rather than those that require new spending, referred to as “costers.”

An additional barrier is the fact that Members of Congress often equate provider status with the “fee-for-service” payment model. Legislators and regulators may be reluctant to engage in “old” payment reform as new delivery and payment models develop (e.g., ACOs and medical homes with bundled payments and risk).

Congress will likely ask the Congressional Budget Office (CBO) to analyze the costs/savings to any pharmacy legislative ask (i.e., score the financial impact). Due to the focus being placed on holding down health care costs, the collaborating organizations must demonstrate the value of the pharmacist and pharmacist-provided patient care services to patients and the health care system for the provider status campaign to achieve legislative success. This value includes improved access, quality, and cost. Because the evidence will be highly scrutinized, credibility will be increased if produced or validated outside of the profession.

Other health care providers who already have provider status and bill Medicare on a fee-for-service basis may have strong opposition (both in political strength and numbers) to the pharmacy provider status initiative. APhA is reaching out to other health care providers, consumer organizations, payers, and policy makers to educate them about the health and economic benefits of recognizing pharmacists as health care providers and facilitating access to pharmacists' patient care services.

Why are current payment models not adequate?

While some pharmacists' patient services have business models with adequate coverage that allows them to be implemented widely (e.g., immunization delivery), other services have lack of or minimal coverage or compensation that has limited their implementation (e.g., MTM services). Pharmacists can play integral roles in helping patients to meet treatment goals and promoting safe, cost-effective medication use.

What is APhA doing to make its members aware of emerging compensation models?

APhA advocates for the pharmacist and proactively monitors trends related to pharmacists' patient care services and the health care delivery system, including new, evolving models of care. APhA also provides informational and educational activities directed toward sharing this intelligence with members. For example, at APhA2013,

held March 1–4, 2013, in Los Angeles, more than nine educational programs were designed to showcase evolving integrated delivery and payment models, and the roles, responsibilities, experiences, and recommendations of pharmacists practicing within them. APhA is also developing a series of eight issue briefs on ACOs for APhA members as well as articles and publications to assist members in identifying opportunities and implementing new services. Additionally, APhA and NASPA updated data sheets on each state, highlighting changes necessary to advance provider status efforts and state-level innovative compensation and practice models.

How will my job change if provider status is attained?

Attaining provider status for pharmacists should improve patient access to pharmacist-provided patient care services and coverage for those services. With adequate coverage, there will be more incentive for implementation of these services in all practice settings. This will provide pharmacists with the opportunity to deliver patient care consistent with the education received in school or through postgraduate training and certification. Pharmacists report greater professional satisfaction when they can see how their services improve patient outcomes and health. Finally, you will be recognized for the value you bring to patients and the health care team.

Could provider status be useful in addressing workplace issues?

Recognition and coverage of pharmacist-provided patient care services should create more incentives for pharmacists, pharmacy owners, and pharmacist employers to expand the services offered and integrate these services into evolving care delivery models. With coverage, the business model should more adequately support access to such services by patients.

How can pharmacists get involved and support this campaign?

We need the active engagement of all pharmacists to gain public attention for the provider status campaign. Speak to leaders on Capitol Hill.

1. It is great when APhA staff speaks to leaders on Capitol Hill, but it is fantastic when pharmacists do it! Members of Congress appreciate hearing from their constituents. You can meet with your elected officials at home or in Washington, DC. Invite them to your practice so they can see firsthand what pharmacists actually do.
2. Build congressional and state policy maker champions. How? If you or someone you know has a relationship with a Member of Congress or your state legislative leadership, use that to establish a relationship and educate them about pharmacists' patient care services and their impact on the health care system. The perception persists that pharmacists only count pills.
3. Build support for the campaign and lessen resistance by other health care providers and health care system stakeholders. How? Identify physicians, patients, and other providers who recognize the value of pharmacists and are willing to make a statement in support of that value.

We need a grassroots effort to be successful, so let us know how you can help by signing up to volunteer at www.pharmacist.com/providerstatusrecognition. We also need your stories and examples of what pharmacists can do. Let us know you support APhA's efforts to obtain recognition of pharmacists' services and that we can count you in to be part of the team working towards achieving this goal. If we are successful, patients will be well served by pharmacists' patient care services and our services will be valued and appropriately covered as members of the health care team.

Where can I get more information about the provider status initiative?

Visit www.pharmacist.com/providerstatusrecognition to volunteer and let us know how you are able to help! Or e-mail us at providerstatus@aphanet.org with any questions.

ENDNOTES

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